

# DAILY REPORT

FBIS

## CONTENTS

*China*

Vol I No 234

4 December 1984

### PRC INTERNATIONAL AFFAIRS

#### GENERAL

Sweden's Palme Views Disarmament Issue	A 1
XINHUA Roundup Views NATO Winter Session	A 1
Envoy at UN Urges Peaceful Research in Antarctic	A 2
Commemorative Envelope Marks Antarctic Trip	A 3

#### UNITED STATES

U.S. Calls for Progress in Stockholm Talks	B 1
XINHUA Views Regan Tax Reform Proposal	B 1
Otis Elevator Joint Venture Opens in Tianjin	B 2

#### NORTHEAST ASIA

DPRK Embassy Official on Panmunjom Shooting	D 1
PRC Friendship Official Sun Departs Tokyo	D 1
Japanese Drama Company Tours, Performs	D 2
MPR Celebrates 60th Founding Anniversary	D 2

#### SOUTHEAST ASIA & PACIFIC

New Travel Rules for Hong Kong, Macao Residents	E 1
PRC, Hong Kong Sign Joint Power Plant Deal	E 1
Caltex Oil Terminal Opens in Hong Kong	E 2
XINHUA Director to Hong Kong Modernization Group	E 2
PRC Friendship Group Hosts Reception for Laos	E 2

#### EASTERN EUROPE

Leaders Greet Albanian Counterparts on Anniversary	H 1
Qiao Shi Meets Yugoslav Youth Delegation	H 1
Sichuan Delegation Returns From Yugoslavia	H 1
PRC-CSSR Trade To Approach 1 Billion Swiss Francs [CHINA DAILY 29 Nov]	H 1

#### MIDDLE EAST & AFRICA

Tian Jiyun Continues African Tour in Benin	I 1
Cuts Ribbon for Factory	I 1
Meets President Kerekou	I 1
RENMIN RIBAO Hails Gulf States Summit Meeting [1 Dec]	I 1
Comment, Reportage on PLO Council Session	I 2
RENMIN RIBAO [1 Dec]	I 2
CHINA DAILY [4 Dec]	I 3
Peng Chong Meets Iraqi Youth Delegation	I 4

## WESTERN HEMISPHERE

RENMIN RIBAO Praises Argentina-Chile Treaty	[2 Dec]	J 1
XINHUA Commentary		J 1

## PRC NATIONAL AFFAIRS

RENMIN RIBAO Report on Anhui County Grain Shop	[30 Nov]	K 1
Commentator's Article		K 1
Hengyang Units Reduce Losses by Delegating Power		K 2
[RENMIN RIBAO 3 Dec]		
GUANGMING RIBAO Discourages Using Political Labels		K 3
Part I [19 Nov]		K 3
Part II [23 Nov]		K 5
Ministry Cracks Down on Corrupt Power Stations		K 7
Tian Jiyun Interviewed on Enterprise Management		K 7
[LIAOWANG No 49, 3 Dec]		
Deng Urges PLA Contribution to Economic Reform		K 9
[WEN HUI BAO 28 Nov]		
PLA Air Force Succeeds in Carrying Out Reforms		K 9
Military Enterprises Help Develop Auto Industry		K 10
PLA Hospitals Serve Civilian Patients		K 11
Armed Police Force Meeting Opens in Shanghai		K 11
NPC Group Stops Over in Kunming 3 Dec		K 12
Burial Service for General Wu Shimin in Shanxi		K 12
Xi Zhongxun Pays Last Respects to Zhou Renshan		K 13
Wan Li, Wang Enmao Tour Xinjiang Projects		K 13
Hu Yaobang Comments on Livestock Embryo Transfer		K 14
Hu Qili Inspects Education Work in Jiangxi		K 14
Yang Dezhi Addresses Mountaineering Meeting		K 15
Lu Dong Urges Energy Conservation Methods		K 15
Central Leaders on Endemic Disease Control		K 16
Language Official Urges Greater Standardization		K 17
Commodities, Journalism, Law Handbooks Compiled		K 17
China Builds First Waterside Solar Observatory		K 18
Briefs: Communications Paper Inauguration; Information		K 18
Company; New Floating Pier		

## PRC REGIONAL AFFAIRS

## EAST REGION

Anhui Issues Guidelines for Personnel Exchange	O 1
High Industrial, Agricultural Output in Fujian	O 2
Bai Dongcai on Jiangxi Party Rectification	O 3
Li Speaks on Shandong Party Registration	O 4

## CENTRAL-SOUTH REGION

Guangdong Issues Circular on Helping Poor Areas	P 1
Guangxi CPC Congratulates Paper on Anniversary	P 1

## NORTH REGION

4th Nei Monggol Regional CPC Congress Convenes	R 1
30 Nov Preparatory Meeting	R 1
Presidium Holds First Meeting	R 1
Congress Opens 1 Dec	R 2

Zhou Hui Addresses Nei Monggol CPC Congress	R 2
Views Economic Status	R 2
Unity of Nationalities	R 3
Discusses Economic Reform	R 4
Notes Recent Progress	R 5
Sets Economic Strategy	R 6
Stresses Strong Leadership	R 7
Outlines Reform Measures	R 7
Reviews Rectification	R 9

## NORTHEAST REGION

Heilongjiang CPPCC Enlarged Session Ends 3 Dec	S 1
--	-----

## NORTHWEST REGION

Wang Enmao Notes Slow Production Rate in Xinjiang [CHINA DAILY 4 Dec]	T 1
--	-----

## TAIWAN

Joint Economic Conference With U.S. Begins	V 1
Yu on 'Solid' Friendship	V 1
Stronger Trade Ties Urged	V 1
U.S. Policy Unchanged	V 2

## HONG KONG MEDIA ON CHINA

Gu Mu Attends Economic Meeting in Fuzhou [WEN WEI PO 4 Dec]	W 1
Hu's Wife Makes 'Secret' Visit to Hong Kong [CHENG MING No 86, 1 Dec]	W 1
Umelco Statement on Future of Hong Kong [SOUTH CHINA MORNING POST 3 Dec]	W 3
Umelco Aim Noninterference in Hong Kong by PRC [SOUTH CHINA MORNING POST 3 Dec]	W 5

SWEDEN'S PALME VIEWS DISARMAMENT ISSUE

OW040916 Beijing XINHUA in English 0844 GMT 4 Dec 84

[Quotation marks as received]

[Text] United Nations, December 3 (XINHUA) -- Swedish Prime Minister Olof Palme said here today that it has been "one of the basic elements of Swedish foreign policy" to urge the two superpowers "to enter a dialogue and agree upon reductions of their nuclear arsenals".

When two nations have the capacity to destroy the whole world fifty times over, that is no longer a matter of just self-defense," he said at a luncheon hosted by the U.S. Foreign Policy Association in New York.

The prime minister noted that due to the major powers' increased strategic interest in northern Europe, "particularly for the northernmost part of the region", the climate in that usually calm and stable area has become colder in recent years and that his country has experienced a lack of its territorial inviolability".

He called on the non-nuclear countries to do their best "to try to counteract to the tendencies of duopoly [as received] in this world". He went on to say, "the principle of self-determination means that we have an equal right to be masters of our own destiny. That right is being restricted by the threatened use of weapons that would bring death and destruction to all peoples."

Palme came to New York from Chicago where he had just concluded a three-day meeting with the independent Commission on Disarmament and Security Issues. He is currently the chairman of the commission which he formed in 1980.

The Chicago session, beginning on November 30, (?was the) third follow-up meeting attended by senior political leaders from the Soviet Union, the Federal Republic of Germany, Norway, Canada, Mexico, Japan, India, Nigeria, Guyana, Tanzania, the Netherlands and the United States. China was, for the first time, invited to the meeting as an observer.

Referring to the forthcoming resumption of U.S.-Soviet Geneva talks, Palme said the commission welcomed the move made by the two powers. He said the Chicago meeting had spelled out an eight-point recommendation for the Geneva talks to achieve. The recommendations, he said, included: regular summit and high-level meetings on an annual basis, with arms issues as an essential part of the agenda; an agreed and verifiable pause in the testing of new types of nuclear weapons and their delivery systems, and a similar pause in deployments of nuclear weapons systems; substantial reductions of nuclear weapons; strengthen the ABM treaty, and prevent deployment of weapons in outer space; a comprehensive nuclear test ban; and a battlefield-nuclear-weapon-free corridor in Europe.

XINHUA ROUNDUP VIEWS NATO WINTER SESSION

OW011516 Beijing XINHUA in English 1446 GMT 1 Dec 84

["Roundup: NATO Winter Session Faces Thorny Issues" (by Liu Fangan) -- XINHUA headline]

[Text] Brussels, December 1 (XINHUA) -- The annual winter session of NATO defense ministers is scheduled to open early this month to iron out differences on the expansion of their conventional forces. NATO officials, however, have predicted it will be a confrontational meeting.



They said aside from disparate positions on conventional arms, the United States and its European allies differ on the obligation each side should take in implementing an expansion program.

NATO's European members say they have done their utmost to strengthen the organization, providing it with 90 percent of its land forces, 70 percent of its warships and 80 percent of its fighters and tanks. The improvement of NATO's military facilities will cost more than 10 billion U.S. dollars. Therefore, the European group will, during the forthcoming session, circulate booklets demonstrating its efforts in assuming defense responsibilities during a time of economic difficulty.

Moreover, as differences between the two superpowers intensify, European countries have become more aware of the need for unity and self-defense. Last October, foreign and defense ministers from seven West European Union member countries met in Rome to discuss their own joint defense strategy. They decided to strengthen cooperation on weapons manufacturing and the development of new technology so as to lessen their dependence on the United States.

During the winter session, defense ministers of the European group also are expected to discuss the resolution adopted at the Rome conference. However, the United States has resented the slow pace taken by Western Europe in strengthening NATO's conventional forces. During the "Autumn Forge 1984" maneuvers last September, the United States complained once again that its European allies were short of good equipment. It also criticized the allies, excepting Britain, Luxembourg, the Netherlands and Norway, for their failure to raise defense spending by three percent last year, a quota set by NATO.

It argues that because U.S. defense spending increased 7.6 percent last year, and because the U.S. spends up to 55 billion dollars every year in supporting its troops in Europe, Western Europe should be responsible for strengthening the defense.

In addition, an amendment submitted by Democratic Senator Sam Nunn to the U.S. Congress last September has also angered West European countries. Under the amendment, the United States would withdraw 90,000 troops from Europe if Europe fails to increase its military spending.

Observers here believe that although NATO countries may quarrel over the way to strengthen the conventional forces, they will, in the face of an increasingly grave threat from the Soviet Union, try to patch up their differences and adopt various measures to help NATO further employ new technology, limit the export of such technology for military use to the Soviet Union, and strengthen the conventional forces.

But because the Western European economy has been slow to recover, leaving huge deficits and soaring unemployment, it will not be easy for NATO's European group to raise military spending by three percent, analysts predicted.

#### ENVOY AT UN URGES PEACEFUL RESEARCH IN ANTARCTIC

OW300938 Beijing XINHUA in English 0908 GMT 30 Nov 84

[Text] United Nations, November 29 (XINHUA) -- Scientific research in Antarctica should serve world peace, scientific development and the common interests of mankind, Chinese Ambassador Liang Yufan said today at the First Committee meeting on Antarctica.

The First Committee (political and security) of the General Assembly yesterday began consideration of the agenda item "Antarctica" introduced for the first time at the U.N. session last year.

Ambassador Liang, China's deputy permanent representative to the U.N., noted that mankind has done a tremendous amount of arduous exploration for years in order to unveil the mystery of Antarctica. He underlined the achievements in the areas of meteorology, galaciology, geomagnetism, auroral physics, seismology, biology and oceanography.

"It is becoming more and more apparent to all of us that Antarctica offers inestimable scientific and economic values and broad prospects for development," he added.

With regard to the 1959 Antarctica Treaty, signed by Argentina, Australia and ten other countries in Washington, Ambassador Liang stated that the document "remains to date an important legal instrument regulating activities in Antarctica."

China formally acceded to the treaty last year, he said, because the relative provisions of the treaty were in conformity with the principles and purposes of the U.N. Charter. However, Liang pointed out that the treaty should not be regarded as perfect. He singled out those provisions regarding the rights of the contracting parties that impose undue limitations on certain countries, especially developing countries.

He called for further serious study and research to straighten out these complex issues so that all the contracting parties could play their part fully "on the basis of genuine equality."

The Chinese ambassador then gave a brief account of his country's scientific expedition in Antarctica.

#### COMMEMORATIVE ENVELOPE MARKS ANTARCTIC TRIP

OW031308 Beijing XINHUA in English 1243 GMT 3 Dec 84

[Text] Beijing, December 3 (XINHUA) -- A new issue of a pre-stamped envelope to mark China's first Antarctic scientific expedition now underway will be put on sale December 11th.

Published by the Chinese Ministry of Posts and Telecommunications, the envelope has an eight-fen stamp showing a penguin and a seal against the background of China's projected Antarctic station. The cachet on the left depicts China's Antarctic expedition ships Xiangyanghong No. 10 and No. J121 with an iceberg and albatross as the background design.

The expedition left Shanghai for the Antarctic on November 20 to make scientific exploration and set up a summer station in the Antarctic. It has just crossed the equator and sailed into the Southern Hemisphere.

U.S. CALLS FOR PROGRESS IN STOCKHOLM TALKS

OW040300 Beijing XINHUA in English 0233 GMT 4 Dec 84

[Text] Washington, December 3 (XINHUA) -- The United States believes that tangible progress in the Stockholm Conference on Confidence and Security Building Measures and Disarmament (CDE) "can contribute significantly to an improved East-West relationship and enhanced security for Europe," State Department spokesman John Hughes said today.

The spokesman said the 35-nation conference in Stockholm adopted today a working structure which the United States hopes will "encourage detailed examination of the possible areas of agreement." He said the United States looks forward to the "flexible give-and-take negotiating process" called for by U.S. President Ronald Reagan.

"We hope serious negotiations on the concrete and practical confidence and security building measures introduced by the West will no longer be delayed," said Hughes. He added that "our efforts to move forward in CDE are part of the overall arms control objectives of the administration, which we are pursuing both in multilateral forums and bilaterally with the Soviets."

XINHUA VIEWS REGAN TAX REFORM PROPOSAL

OW030600 Beijing XINHUA Domestic Service in Chinese 0900 GMT 1 Dec 84

[Roundup: "Reform of the U.S. Tax System" -- XINHUA headline]

[Text] Washington, 30 Nov (XINHUA) -- The tax reform issue has caused much controversy in the United States over the past several days. The cause of the controversy arose from U.S. Treasury Secretary Regan's announcement of the tax simplification program at his 27 November press conference. Just as stated in the preface, the purpose of the program is to simplify the current tax system to achieve equality in tax collection and promote savings, investments and economic growth. However, because of the different impact on divergent interest groups, it is doubtful the program can be approved smoothly by Congress.

A particularly important measure in simplifying the tax system is to cut down drastically the present number of tax brackets in addition to abolishing and merging the 65 articles of the present tax law. The U.S. income tax is based on a progressive tax rate divided into 14 tax brackets, ranging from 11 to 50 percent of the taxable income of taxpayers. Moreover, there is a zero tax category. The new tax program simplifies the individual income tax categories into three, collected at 15, 25, and 35 percent respectively. The corporate income tax would be collected at a flat rate of 33 percent. Thus, individual and corporate tax rates would be down by 15 and 13 percentage points from the highest tax brackets.

The Treasury Department's tax program proposes to expand the tax collection base extensively and would reduce or abolish a number of deductible or tax-free items. It must be particularly pointed out that the tax reform program calls for abolishing the deductions for investments, which was initiated under the Kennedy administration, and for abolishing the accelerated depreciation for new enterprises, which was initiated during Reagan's first term of office. The tax deductions for investments is a preferential tax treatment to encourage business investments.

According to the current U.S. tax provisions, businesses can obtain a tax deduction of up to 10 percent of investments in new equipment, which is regarded as a loan from the government. The accelerated depreciation initiated during the Reagan administration is preferential treatment for business, so that the depreciation of capital invested in plant and equipment would not be affected by inflation.

According to an estimate of the Treasury Department, after implementation of the individual income tax reform, 78 percent of taxpayers would either be unaffected or pay less taxes. But the remaining 22 percent would have to pay more taxes. However, over half of those taxpayers' additional taxes would not exceed 1 percent of their incomes. On average, federal individual income tax revenue would decrease by 8.5 percent. However, the elimination of itemized deductions would bring substantial revenue for the federal government.

Business circle's initial reactions to the Treasury Department's simplified tax program are apathetic and divided over the role of the program. Some people hold the view that the new tax reform program would be advantageous to developing technology-intensive industry, while harming the interests of capital-intensive industry. Businesses needing to purchase large amounts of equipment and plant would discover that they have to pay more tax. Consequently, business investments in equipment might decrease and affect economic growth. However, some people maintain that the tax reform would divert investments toward high-technology undertakings and thus make the economy more efficient and full of vitality.

The tax reform is a significant event that can have extensive influence and affect individuals' practical interests. The Reagan administration's unusual announcement of the program before submitting it to Congress aims to test public reactions.

#### OTIS ELEVATOR JOINT VENTURE OPENS IN TIANJIN

OW011649 Beijing XINHUA in English 1513 GMT 1 Dec 84

[Text] Tianjin, December 1 (XINHUA) -- A Chinese-American elevator joint venture was inaugurated today in Tianjin. Participants are the Tianjin Elevator Company, the China International Trust and Investment Corporation and the Otis Elevator Company of the United States.

Otis, which contributes 30 percent of the investment, will transfer technology for producing high-speed elevators and other products. "This will help upgrade Tianjin's elevator industry," a spokesman for the Tianjin company said.

The China Tianjin-Otis Elevator Company Ltd. will increase its annual output of elevators to more than 2,000 in ten years, about four times the city's current annual output.



DPRK EMBASSY OFFICIAL ON PANMUNJOM SHOOTING

SK040705 Beijing International Service in Korean 1100 GMT 30 Nov 84

[Text] Comrade Kim Sang-kyu, minister-level counselor at the Korean Embassy to our country, held a press conference at the embassy this morning. While explaining the development of the incident in which guards of the U.S. side opened fire on Korean guards several days ago at Panmunjom, Counselor Kim Sang-kyu strongly denounced this act of brutality by the U.S. forces. Counselor Kim Sang-kyu said the perpetration of this homicidal shooting incident by U.S. forces was part of planned and deliberate maneuvers designed to further intensify the strained Korean situation.

He further said: A good atmosphere for dialogue has developed in the wake of the North-South economic talks and the Red Cross talks due to the fair proposals and sincere efforts of the Northern part of Korea and in the wake of the delivery of relief goods to the South Korean flood victims as a humane measure proceeding from brotherly love. The perpetration of such homicidal brutality under these circumstances was part of vicious maneuvers designed to throw a wet blanket over this atmosphere and to block the way to peaceful reunification. It is preposterous for the U.S. forces to try to shirk responsibility for this incident.

He strongly urged the United States to sternly punish the criminals who killed the Koreanguards, guarantee that such an incident would not occur again, and apologize for the criminal act it perpetrated.

PRC FRIENDSHIP OFFICIAL SUN DEPARTS TOKYO

OW031405 Beijing XINHUA in English 1326 GMT 3 Dec 84

[Text] Tokyo, December 3 (XINHUA) -- Japanese Chief Cabinet Secretary Takao Fujinami, said this morning that relations of genuine mutual trust have been established between his country and China. Fujinami said this during a meeting with Sun Pinghua, vice president of the China-Japan Friendship Association. Sun came here on November 20 to attend the second conference on Japan-China exchanges and left here for home this afternoon.

Fujinami, who is also [words indistinct] said that as a result of the protracted joint efforts by the two sides, relations have further improved since Japanese Prime Minister Yasuhiro Nakasone took office.

He mentioned the 3,000 Japanese youths who visited China recently, saying they will play a role in the future development of relations. He added that joint efforts are needed for the two sides to further advance the ties.

In return, Sun said the mutual visits by General Secretary Hu Yaobang and Prime Minister Nakasone further strengthened China-Japan ties. It is China's national policy to develop friendly relations with Japan from generation to generation, Sun said. How to advance these ties into the future is a subject for study, he added.

Sun presented to Fujinami an imitation sculpture of an ancient bronze horse that will be given to Nakasone.



JAPANESE DRAMA COMPANY TOURS, PERFORMS

OW031615 Beijing XINHUA in English 1557 GMT 3 Dec 84

[Text] Beijing, December 3 (XINHUA) -- The Japanese Generation Drama Company performed the Beijing premiere tonight of a play, "Goodbye, Mr. Fujino", with images of the Chinese writer, Lu Xun (1881-1936). It was written by Japanese playwright Enji Shimokawa on the basis of Lu Xun's article, "Mr. Fujino", in memory of his Japanese teacher who showed him great kindness when he studied in Japan in 1904.

The play depicts the understanding and friendship between the people of the two countries through the relationship between the Chinese student and the Japanese teacher.

The Japanese Generation Drama Company, founded in 1960, has staged many plays showing Lu Xun's life in Japan, including one adapted from his short story, "The True Story of Ah Q", reflecting the failure of the Chinese 1911 revolution through the peasant, Ah Q, a typical product of feudal rule in his slavish defeatism.

Among an appreciative audience of 1,000 tonight were Liu Deyou, assistant minister of culture, and Yosuke Nakae, the Japanese ambassador in Beijing. The 32-member company, headed by its stage director, Tadahiko Tsuda, will tour Shanghai and Hangzhou, and visit Shaoxing, Zhejiang Province, Lu Xun's home town.

MPR CELEBRATES 60TH FOUNDING ANNIVERSARY

OW280330 Beijing XINHUA Domestic Service in Chinese 1518 GMT 26 Nov 84

[By reporter Wang Yimin]

[Text] Ulaanbaatar, 26 Nov (XINHUA) -- A solemn rally was held in the building of the Central Council of the Mongolian Trade Unions here today to mark the 60th anniversary of the founding of the Mongolian People's Republic.

Representatives of the party, government and civic bodies of Mongolia attended. Jambyn Batmonh, general secretary of the Mongolian People's Revolutionary Party [MPRP] Central Committee and chairman of the Council of Ministers, delivered a report entitled "The Victorious 60 Years of the MPR."

A reception was held by the MPRP Central Committee, the Presidium of the People's Great Hural, and the Mongolian Council of Ministers in the evening.

Earlier, a large exhibition called "The 60 years of the MPR" was held here, introducing this country's achievements in construction over the past 6 decades. The exhibition opened on 23 November.

NEW TRAVEL RULES FOR HONG KONG, MACAO RESIDENTS

HK040354 Beijing ZHONGGUO XINWEN SHE in Chinese 0912 GMT 30 Nov 84

[Report: "The Ministry of Public Security Formulates New Regulations To Facilitate Hong Kong and Macao Compatriots in Their Entry Into and Exit From China"]

[Text] Beijing, 30 Nov (ZHONGGUO XINWEN SHE) -- A spokesman for the Ministry of Public Security announced today: In order to facilitate Hong Kong and Macao compatriots in their entry into and exit from China, three new regulations will be implemented, effective 1 December. They are:

-- Passage is cleared for entry into and exit from China by Hong Kong and Macao compatriots after their "hometown-visiting permit for Hong Kong and Macao compatriots" has been checked. Now all they have to do is to fill in the "hometown-visiting card for Hong Kong and Macao compatriots" upon entry and to fill in the "exit card for hometown-visiting Hong Kong and Macao compatriots" upon exit. The existing regulation of returning the "residence registration card for hometown-visiting Hong Kong and Macao compatriots" is abolished.

-- After entry, those Hong Kong and Macao compatriots who stay at houses of their relatives or friends are required to register their temporary residence at the police substation in the neighborhood through the help of their relatives or friends; or by the visitors themselves, using their approved hometown-visiting credentials. (In the rural areas, the procedure is conducted at the police substation or township government). Those who stay at guesthouses or hotels are required to register abode only.

-- In the course of registering for temporary residence or abode, officials concerned may check the hometown-visiting permit, passport, or identification credentials, which should all be promptly returned to the owner. According to the spokesman, public security organs at all levels, including inspection stations and departments concerned, should strictly observe the above unified regulations, and no other procedure should be added to them at will.

In the past, when Hong Kong and Macao compatriots returned to the mainland to visit friends and relatives, to tour, or make investments in factories, they had to register their temporary residence using their "hometown-visiting residence card for Hong Kong and Macao compatriots." Upon arrival in each new place, they would have to fill in the dates of arrival and departure, and the card would be sealed by the police substation (or by the hotel concerned for those who stayed there), and the card would have to be returned to the frontier inspection station upon exiting. If a Hong Kong or Macao compatriot exiting the mainland neglected any part of the procedure, he would be refused exit unless he returned to the place he visited and completed the procedure. Hong Kong and Macao compatriots have been very annoyed by such a complicated procedure. The Ministry of Public Security has accepted the criticism of Hong Kong and Macao compatriots and decided to abolish the "hometown-visiting residence card for Hong Kong and Macao compatriots" and to simplify the procedure.

PRC, HONG KONG SIGN JOINT POWER PLANT DEAL

OW031612 Beijing XINHUA in English 1454 GMT 3 Dec 84

[Text] Hong Kong, December 3 (XINHUA) -- A thermal power plant with a generating capacity of 1.6 million kilowatts will be built in Jilin Province under an agreement signed here today. Under the deal, signed between Jilin Province and the Everbright Industrial Corporation here, the Da'an Thermal Power Plant will be completed before the end of 1990, along with a special railway line and other service facilities.

CALTEX OIL TERMINAL OPENS IN HONG KONG

OW301802 Beijing XINHUA in English 1647 GMT 30 Nov 84

[Text] Hong Kong, November 30 (XINHUA) -- An oil storage terminal built by Caltex Oil Hong Kong Limited went into service here today. The terminal on Tsing Y Island covers 65,000 square kilometers and is used to replace one at Tsuen Wan. It can accommodate ocean-going oil tankers and store 1.2 million barrels of oil products and 3,000 tons of gas. The oil and gas will supply Hong Kong, China and Taiwan.

At the opening, Hong Kong Governor Sir Edward Youde said the completion of the storage terminal was a further evidence of confidence in the future of Hong Kong.

M.W. Saunders, regional vice president of Caltex Petroleum Corporation, said the recent agreement reached by Britain and China on Hong Kong future was an historic milestone. "More recently, the new economic policies announced in the People's Republic following the Third Plenum of the Twelfth Central Committee bode exceedingly well for trade, economic expansion and capital investment. As a company whose business relationship throughout China date back more than 70 years, we intend to be a part of that also", he added.

XINHUA DIRECTOR TO HONG KONG MODERNIZATION GROUP

OW011050 Beijing XINHUA in English 1030 GMT 1 Dec 84

[Text] Hong Kong, December 1 (XINHUA) -- Experts in Hong Kong were encouraged to contribute more to the modernization program of the motherland. Xu Jiatur, director of the Hong Kong branch of the XINHUA NEWS AGENCY, told a reception yesterday marking the fifth anniversary of the Association of Experts for Modernization Ltd., that the modernization program needs their support and help just as the enduring prosperity and stability of Hong Kong need the backing of a prosperous and powerful hinterland.

With the conclusion of the Sino-British joint declaration on the Hong Kong question and the implementation of the open policy, Xu noted, Hong Kong is facing a new period of continued growth and its ties with the hinterland will be closer. This will provide Hong Kong experts with a good opportunity to realize their aspirations, he said.

He praised the association for its work to promote academic exchanges with the hinterland and train managerial personnel since its inauguration five years ago.

Lau Shiu Kwan, president of the association, said that the association would continue its efforts to support the motherland in its modernization drive, and also work for the sustained prosperity of Hong Kong. The association provides technical, legal, accounting and consulting services for Chinese and foreign clients. Its members include lawyers, accountants, surveyors, architects, engineers and management experts.

PRC FRIENDSHIP GROUP HOSTS RECEPTION FOR LAOS

LD011539 Beijing XINHUA in English 1317 GMT 1 Dec 84

[Text] Beijing, December 1 (XINHUA) -- The Chinese People's Association for Friendship With Foreign Countries gave a reception here today to mark the 9th anniversary of the founding of the Lao People's Democratic Republic. Among those present were Wang Fulin, vice-president of the host association, and Chaleun Valinthalasak, interim charge d'affaires of the Lao Embassy here. A film was shown after the reception.

LEADERS GREET ALBANIAN COUNTERPARTS ON ANNIVERSARY

AU301415 Beijing International Service in Albanian 1900 GMT 29 Nov 84

[Message from President Li Xiannian and Zhao Ziyang, premier of the State Council, to Ramiz Alia, chairman of the Presidium of the People's Assembly of Albania, and Adil Carcani, chairman of the Council of Ministers of Albania]

[Text] On the occasion of the 40th anniversary of the liberation and of the people's revolution of the People's Socialist Republic of Albania, in the name of the Chinese Government and people, we convey to the Albanian Government and people greetings on the occasion of your festivities, and wish cordially that the Albanian people may be happy and their state may be prosperous.

QIAO SHI MEETS YUGOSLAV YOUTH DELEGATION

OW011554 Beijing XINHUA in English 1440 GMT 1 Dec 84

[Text] Beijing, December 1 (XINHUA) -- Qiao Shi, alternate member of the Secretariat of the Chinese Communist Party Central Committee, met here this afternoon a delegation from the Yugoslav Socialist Youth Union led by Robert Cerne. Wang Zhaoguo, first secretary of the Central Committee of the Chinese Communist Youth League, was present at the meeting.

SICHUAN DELEGATION RETURNS FROM YUGOSLAVIA

HK040235 Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 3 Dec 84

[Text] According to SICHUAN RIBAO, a provincial government delegation returned to Chengdu on the evening of 3 December at the conclusion of a friendly visit to the SFRY. The delegation was headed by Nie Ronggui, senior adviser to the provincial government, deputy secretary of the provincial CPC Committee, and a delegate to the NPC. The delegation was welcomed at the airport by Gu Jinchi, vice governor; (Jiang Deping), secretary general of the provincial government; (Cai Zhaofa), deputy director of the General Office of the provincial CPC Committee; (Chen Faqiang), deputy director of the provincial Foreign Affairs Office; and (Guo Xinrong), deputy director of the provincial Foreign Economic Relations and Trade Department.

PRC-CSSR TRADE TO APPROACH 1 BILLION SWISS FRANCS

HK290511 Beijing CHINA DAILY in English 29 Nov 84 p 2

[By staff reporter Huo Zhenyi]

[Text] Trade between China and Czechoslovakia is expected to approach one billion Swiss francs (\$400 million) this year, according to Zdenek Cervený, director of the Czechoslovak Industrial Exhibition that opened yesterday at Beijing Exhibition Centre.

The original plan called for trade to reach 600 million Swiss francs, Zdenek Cervený said.



Cervený attributed the fast development to a series of meetings held this year by trade officials from both countries.

Trade last year amounted to only 300 million Swiss francs, Cervený said.

China exports to Czechoslovakia agricultural and light industrial products, including textiles, ready made garments and knitware.

Czechoslovakia sends to China machinery, chemical materials, trucks, pumps, electric equipment and motorcycles. Cervený said the two sides have been exploring the possibility of cooperation in truck production, textile machinery, electric power equipment, gasification of coal, opencut coalmining and metallurgy.

Cervený said China has a highly developed metal-working industry, and the two sides have expressed an interest in the joint manufacture of motorcycles.

At the end of 1983, the Motokov Foreign Trade Corporation, based in Prague, concluded a contract with China National Machinery Import & Export Corporation for the export of 11,000 JAWA and 29,000 CA motorcycles.

Cervený said Czechoslovakia is preparing to help China upgrade more than 100 joint projects undertaken in China in the 1950s by the two countries.

He also said discussions have been held on a joint project for production of heavy trucks. The parts produced in Czechoslovakia will be put together in China.

Josef Cilek, vice-president of Czechoslovakia Foreign Trade Company Ltd, said his company is expected to sign a contract to sell to Shengyang, in northeast China, a gasifier worth 1.3 million Swiss francs.

The current exhibition aims to promote trade between the two countries, said Sun Fang, vice-chairman of the China Council for the Promotion of International Trade (CCPIT).

During the next nine days, 17 Czechoslovak companies will display their products, such as machinery, trucks and buses, medical instruments and printing machinery.

Some 23 technical seminars will be held between Chinese visitors and participating firms.

Directors of Chinese factories have shown considerable interest in the exhibits, valued at about \$100,000.



TIAN JIYUN CONTINUES AFRICAN TOUR IN BENIN

## Cuts Ribbon for Factory

OW032008 Beijing XINHUA in English 1956 GMT 3 Dec 84

[Text] Cotonou, December 3 (XINHUA) -- A ceremony of turning over a China-built cigarette and match factory to Benin was held here today.

President of the Permanent Committee of the National Revolutionary Assembly of Benin Romain Vilon Guezo and visiting Chinese Vice Premier Tian Jiyun presided over the ceremony and signed the documents concerned. The Chinese vice premier cut the ribbon.

Benin's minister of Finance and Economy Antonio Hospice and Chinese Ambassador to the country Sun Zhicheng made separate speeches at the ceremony, praising the friendly relations between the two countries and hoping that more fruitful results can be achieved through economic and technological cooperation.

The factory, forty kilometers west of here, was completed after two years of construction. It has a capacity of 100 cartons of cigarettes and 50 cartons of match per shift.

## Meets President Kerekou

OW040254 Beijing XINHUA in English 0226 GMT 4 Dec 84

[Text] Cotonou, December 3 (XINHUA) -- The Benin President Mathieu Kerekou received the visiting Chinese Vice-Premier Tian Jiyun and his party this afternoon and had a very friendly and cordial talk with them.

Speaking to the press after the meeting, Tian said that the two sides had discussed ways means of reinforcing and developing bilateral relations of friendly cooperation. He affirmed that the leaders of the two countries were satisfied with the existing state of relations between the two countries, but they agreed to develop them further. He announced that President Kerekou would visit China next year at the invitation of Chinese President Li Xiannian.

In the morning, accompanied by the President of the Permanent Committee of the National Revolutionary Assembly of Benin Romain Vilon Guezo, Tian Jiyun laid a bouquet of flowers at the monument of the martyrs in Cotonou and in the afternoon he visited the stadium of friendship of Cotonou built with Chinese aid.

RENMIN RIBAO HAILS GULF STATES SUMMIT MEETING

HK020759 Beijing RENMIN RIBAO in Chinese 1 Dec 84 p 6

[Commentator's article: "Positive Step of the Summit Meeting of Six Gulf States"]

[Text] The fifth summit of the Gulf Cooperation Council [GCC] was held in Kuwait from 27 to 29 November. During the meeting, the heads of six Gulf states discussed major issues such as the Gulf situation and the impact of the Iran-Iraq war on the region, joint defense among the GCC countries, and support for the PLO. The meeting decided that the GCC member countries will directly mediate to bring the Iran-Iraq war to an end, and are prepared to make collective efforts to remove differences among the Arab countries. This was an initiative of the six Gulf states to strengthen their unity and cooperation and to reduce tension in the region. It will contribute to preserving peace and stability in the Gulf and the Middle East.

Since its establishment the GCC has consistently made efforts to preserve peace and stability in the region. The council has worked ceaselessly to mediate in the Iran-Iraq war, which seriously endangers the security and economic development of the Gulf states. In the present situation in which stalemate has been reached in the Iran-Iraq war, the fifth GCC meeting appealed to Iran and Iraq to revive their Muslim solidarity, and declared that it is prepared to directly mediate to end this war. This will help in bringing the war to an end at an early date. We sincerely hope that Iran and Iraq will respond to the peace appeal of the fifth Gulf state summit, and put an end to the war at an early date under conditions acceptable to both sides.

At present the Middle East is beset with turbulence. Israel, while continuing its occupation of southern Lebanon, is continuing to pursue a policy of aggression and expansion and persists in its hostility to the Arab world. In these circumstances, to strengthen unity and eliminate differences is an urgent task facing the Arab world. For several years the GCC has made efforts in various respects to mediate relations between Arabs, achieving gratifying success. The decision taken by the fifth summit of the Gulf states to collectively mediate Arab differences will not only promote better coordination among the Gulf states but will also contribute toward promoting Arab unity.

Superpower rivalry in the Gulf region is the root cause of the tense situation there. This summit of the six Gulf states stressed the complete necessity of further strengthening their joint defense while developing their economic cooperation. We are glad to see that the six Gulf states are now becoming a force for stability that cannot be neglected in the region as a result of their joint efforts in strengthening themselves.

#### COMMENT, REPORTAGE ON PLO COUNCIL SESSION

RENMIN RIBAO

HK020724 Beijing RENMIN RIBAO in Chinese 1 Dec 84 p 6

[Commentator's article: "Unite for Battle, Continue To Advance"]

[Text] The 8-day 17th session of the Palestine National Council victoriously concluded in Amman on 29 November. The session adopted a political resolution stressing the unity of the various PLO factions, the PLO's solidarity with the Arab states, and persistence in the just struggle against Israeli aggression and expansion. The session elected a new Palestine National Council headed by 'Arafat. This session embodied the united fighting will of the 4 million Palestinian people. It will have a far-reaching impact on the future struggle of the Palestinian people and on Middle East developments.

For a long time, the PLO has led the Palestinian people in indomitable struggle against the Israeli aggressors, in which it has gained widespread sympathy and support from the international community. Despite traversing an arduous and tortuous path, the PLO has always held high the banner of the revolutionary struggle and deserves to be the legitimate representative of the Palestinian people. This Palestine National Council session has yet again displayed the will and strength of the Palestinian people and proved that the Middle East problem cannot be solved without PLO participation.

This session has conspicuously demonstrated the Palestinian people's strong desire to overcome differences and confront the enemy in unity. Unity is strength; it is foundation of victory.

This has been repeatedly proved by the protracted struggle of the Palestinian people for the restoration of their legitimate national rights. And in the present stage of their revolutionary struggle, unity within the PLO and between the PLO and the Arab countries is of immense importance. Undoubtedly, victory will continually belong to the Palestinian people so long as they hold aloft the banner of unity for battle.

With the backing and connivance of the United States, Israel has long ignored the UN resolutions on the Palestinian problem, stepped up its expansionist policy, and built more Jewish settlements in occupied Palestinian and Arab land. This has formed a serious threat to the security of the Palestinian people and the peoples of the Arab countries. Therefore the key to the solution of the Palestinian problem and the realization of a lasting peace in the Middle East lies in Israel's withdrawal from occupied Arab territory and the early restoration of the Palestinian people's legitimate rights, including those to return to their homeland and establish an independent state. The 17th Palestine National Council session reiterated that it is essential to restore the legitimate rights of the Palestinian people, and called on the Palestinian people, on the basis of strong cooperation and unity with the Arab countries, to carry on the common struggle against Israeli aggression and expansion and for a just solution to the Palestinian and Middle East problems. This just call is bound to evoke wide response from the Palestinian and Arab peoples, and also win sympathy and support from people the world over.

The Chinese people will, as always, firmly support the Palestinian people's just struggle to regain their inalienable national rights and establish an independent state. We believe that the Palestinian people, under the leadership of the PLO headed by 'Arafat, will surely surmount all difficulties and obstacles in the way of their advance and, with the support of the Arab people, will realize their goal of national independence.

## CHINA DAILY

HK040503 Beijing CHINA DAILY in English 4 Dec 84 p 3

[By XINHUA correspondent Rui Yingjie]

[Text] Amman -- Several members of the Palestine National Council [PNC] who attended the PNC session here have said that its hallmark was its spirit of independence.

Impassioned voices were heard at every meeting of the session, which ended on Thursday, that the Palestinians must stand up and stick by the right to make their own decisions on their internal affairs despite persistent outside interference. Meanwhile, it was pointed out, they must win more support from the brother Arab countries and other peoples for the Palestinian revolution.

The decision made by the Fatah, the mainstream of the PLO, to convene the PNC session in Amman on November 22, won the support of Palestinians in the Israeli-occupied land. Palestinian youth, women and noted people have in the past few days taken to the streets to demonstrate their support. A telegram to the session signed by 45 noted people on the West Bank of the Jordan River reiterated that the Palestine Liberation Organization is the sole, legitimate organization of the Palestinian people which with its independent line and authority should lead the Palestinian people in their struggle.

Some Palestinians living in the Damascus refugee camp also demonstrated to voice their support for the convening of the PNC session.

A dozen PLO leaders and PNC members criticized Syria and Libya at the session for their interference in Palestinians' internal affairs while at the same time expressing the hope of restoring good relations with "Syrian brothers" and of normalizing relations with Syria. But they pointed out that this can only be done on the basis of noninterference.

In his opening speech, King Husayn of Jordan put forward a Jordanian-Palestinian peace initiative on the basis of United Nations Resolution 242. Showing respect for Palestinians' right to independence, he declared that "this is the principle we have put forward. The PLO and the Palestinian people have the right to make their own final decisions. If you have a way of your own, you'll also have the support of Jordan."

Most PNC members did not avoid mentioning their differences with Jordan on the proposed joint peace initiative although they were grateful for its support of the PNC session. They agreed to take joint actions with Jordan, but did not agree that the proposed initiative should be based on UN Resolution 242 which considers the Palestinian issue as a refugee problem. The solution of the Palestinian problem, they noted, should be based on the Fes resolution which supports the Palestinians' right to self-determination and establish a homeland.

One participant said that the Palestinian cause is an Arab cause as well and is therefore indispensable with Arab support. But no Arab country has the right to control and run the internal affairs of the Palestinians, he said.

There were some worries before the session that most of the Arab countries would not dare to give public support to the session because it was called only by the Fatah. But it turned out to have the widespread support from most Arab nations.

Saudi King Fahd sent a congratulatory message to the session. Kuwaiti Deputy Prime Minister and Foreign Minister Sabah al-Ahmad Jabir al-Sabah declared that the session was legitimate.

#### PENG CHONG MEETS IRAQI YOUTH DELEGATION

OW031154 Beijing XINHUA in English 1119 GMT 3 Dec 84

[Text] Beijing, December 3 (XINHUA) -- Peng Chong, vice-chairman of the National People's Congress Standing Committee, met here this afternoon a youth delegation from Iraq led by 'Adil Thanun Safawi, vice-chairman of the Iraqi National Union of Students and Youth.



RENMIN RIBAO PRAISES ARGENTINA-CHILE TREATY

HK040310 Beijing RENMIN RIBAO in Chinese 2 Dec 84 p 6

["Short" commentary: "Something Worthy of Congratulations"]

[Text] Argentina and Chile, two neighboring countries in the southern part of Latin America, officially signed a "peace and friendship treaty" on 29 November, thus settling the century-old territorial dispute over the Beagle Channel between the two countries. Their relations will now enter a new stage. This is worthy of congratulations.

The dispute over the Beagle Channel is a question handed down from history. Disputes over this problem have not ceased for the past century or so and sometimes the situation has been so tense that armed conflicts nearly broke out. However, in the past year the two countries, out of their common desire to maintain peace and stability in this area and to strengthen unity and cooperation among Latin American countries, took similar stands in their talks. Argentina made concessions on the most difficult problem of the sovereignty over the three islands, whereas on the question of the division of territorial waters, Chile took into consideration Argentina's interests. This shows that even complicated border disputes left over from history can be settled if the two sides concerned demonstrate their sincerity in solving the problems, adopt an attitude of mutual understanding and accommodation, and take into consideration both history and reality.

Latin American countries were commonly plagued by colonial rule. However, since their independence, there have been many boundary issues left over from such rule. Some of them have even developed into armed conflicts, undermining the unity of the Latin American countries and becoming a contributing factor for instability in this area. The signing of the "peace and friendship treaty" between Argentina and Chile is a contribution to the unity of Latin America.

## XINHUA Commentary

OW301804 Beijing XINHUA in English 1632 GMT 30 Nov 84

["Commentary: Glad Tidings From Beagle Channel (by Sun Guowei)" -- XINHUA headline]

[Text] Beijing, November 30 (XINHUA) -- The "treaty of peace and friendship" between Argentina and Chile has brought to an end their century-old border dispute over the Beagle Channel, representing a major event in relations among Latin American countries. For a long time in the past, the Beagle Channel border dispute, a leftover by history, had been a source of trouble to Argentina and Chile, and at times had pushed them to the brink of war. The treaty signed yesterday by foreign ministers of the two countries is a result of their desire for peace and rapprochement and their positive and flexible approach to the issue shown in negotiations this year.

The treaty is in tune with the prevailing trend in Latin America toward peaceful co-existence and greater unity, and has therefore been warmly applauded by people of the two countries. The two countries may now direct their efforts to their most pressing problems in a peaceful environment brought about by the treaty. The accord also opens up broad prospects for bilateral cooperation, helping to maintain peace and stability in the southern part of Latin America. The solution of the Argentina-Chile dispute provides an evidence that the only way to solve disputes among nations is at the negotiating table. The treaty sets an example for those countries to follow who are still troubled by similar problems. It may be hoped that the glad tidings from the Beagle Channel will give an impetus to the resolution of similar problems.



RENMIN RIBAO REPORT ON ANHUI COUNTY GRAIN SHOP

HK031520 Beijing RENMIN RIBAO in Chinese 30 Nov 84 p 1

[Report by Gu Linjin: "Two Peasants of Lixin County, Anhui Province, Run a Grain Shop With Their Own Funds"]

[Text] According to a report in ZHONGGUO XIANGZHEN QIYE BAO [CHINA TOWN AND TOWNSHIP ENTERPRISE PAPER], Li Qiyun and Li Jianguo, two peasants in Wangshi Township of Lixin County, Anhui Province, in view of the local people's difficulties in selling grain and buying rice, built a storehouse and set up "Li's Grain Shop" with their own funds on 14 July. They bought the grain the peasants failed to sell and then sold it to other counties and provinces. They also brought in rice which the local peasants could not buy. By 26 October, they had marketed a total of 300,000 jin of grain to other places and within the township.

Wangshi Township of Lixin County is a key grain-producing area. As a result of the implementation of the responsibility system in agricultural production in recent years, there has emerged a good situation in grain production in the township, but the grain departments failed to meet the needs in the collection and delivery of grain. This year more than 3 million jin of wheat in the township failed to be sold. Moreover, due to some restrictions by local grain storehouses, rice urgently needed by the local masses could not be transported into the township. The consequence of all this was that peasants could not sell what they wanted to sell and could not buy what they wished to buy. Li Qiyun and Li Jianguo, both good at business, vacated their own houses and applied for a business license at the Industrial and Commercial Administration Department to set up with their own funds "Li's Grain Shop." They prepared tables, chairs, and tea and worked day and night to warmly receive peasants who came from all parts to the shop to sell wheat and buy rice. They bought wheat and sold rice at reasonable prices. The market price of wheat was 17 cents per jin, but they bought it at 18 cents. The market price of rice was very high, but they sold it at 23 cents per jin, lower than the market price. "Li's Grain Shop" paid attention to its reputation in selling grain to other places and stressed quality in selling rice to the local masses. They used the same steelyard in both selling and buying grain, and did business in a fair and reasonable way, thus winning the trust of the local peasants. Peasants in 10-odd nearby townships and several districts have come to the shop to do business, and business is brisk in the shop.

## Commentator's Article

HK031522 Beijing RENMIN RIBAO in Chinese 30 Nov 84 p 1

[Commentator's article: "People-Run Grain Shops Should Be Encouraged"]

[Text] There have appeared in Anhui's Lixin County and Henan's Xinyang County people-run grain shops and grain delivery and marketing stations. This is a new and extremely good thing which should be encouraged.

As a result of continuous bumper harvests in agriculture in recent years, there has been an increase in grain, giving rise to a new problem of the peasants' difficulties in selling grain and the state's difficulties in storing it. There are many causes for this situation, including poor communications and transportation services and the failure to transport grain. But one of the most important causes is the unclogged circulation channels. People-run grain shops -- which are an important supplementary channel to state-run grain shops -- can help to circulate grain in various channels and **improve** the present situation in which peasants have difficulties selling grain and the state has difficulties storing it. This explains why Li's Grain Shop in Lixin and Du's grain station in Xinyang have been warmly welcomed by the local masses.

Some people might apprehensively ask: Since grain is an important material concerning the national economy and the people's livelihood, will the development of people-run grain shops lead to a situation of grain shop bosses hoarding and cornering grain as in the old society? The times are different. The main communications and transportation means and most grain stations are now controlled by the state, and state-run business is the main channel and people-run business is only a supplementary channel. We need not worry about this.

Experience over many years has proved that the practice of "monopolizing a kind of business in only one shop" amounts to putting a noose around our neck. The simultaneous development of the state, collectives, and individuals can bring every positive factor into full play. Only by implementing this correct policy will it be possible to enliven and properly develop the economy. This is also applicable to the delivery and marketing of grain.

#### HENGYANG UNITS REDUCE LOSSES BY DELEGATING POWER

HK031433 Beijing RENMIN RIBAO in Chinese 3 Dec 84 p 1

[Report by reporter Wu Xinghua and correspondent He Zhongxi: "Hengyang City No 2 Commercial Bureau Delegates Power to Grassroots Units"]

[Text] To ensure the decisionmaking power of grassroots units, the No 2 Commerce Bureau of Hengyang City, Hunan Province has abolished the general shops, organs which are at a level directly under the jurisdiction of the company, but above grassroots units.

The Hengyang City No 2 Commerce Bureau system used to have 7 companies directly under its jurisdiction, 42 general shops, and 292 grassroots shops. In May 1984, the No 2 Commerce Bureau adopted 25 regulations on streamlining administration and delegating powers to grassroots units, to delegate some of the powers over personnel, finance, and material to grassroots units. However, some time passed, and the grassroots units still failed to obtain those powers delegated to them. Through investigation, the No 2 Commerce Bureau discovered that the main reason for such a situation was that those powers were caught on the way and detained by the general shops under the companies. Those general shops controlled the grassroots shops in their administration of personnel, finance, and material. When a grassroots shop wanted to elect a responsible person for the shop through democratic means, the general shop appointed a candidate for the grassroots unit, lest the person elected should not be easily handled. When grassroots units proposed to distribute their bonuses in accordance with the results of management, the general shops insisted on covering the deficits of some with the profits of others, by going in for "egalitarianism." When the grassroots units planned to improve their managerial conditions based on needs, the general shops insisted on unified control in revenues and expenditures, while even the altering of a stove would involve the approval of the general shops. At the same time, the existence of the general shops increased the burden of grassroots units, with every worker and staff member taking up the burden of an average annual 89 yuan for wages of the general shops' personnel. To deal with these situations, the No 2 Commerce Bureau decided to abolish the general shops in August 1984. By mid-October, 39 of them had been abolished, with the exception of three general shops which are temporarily being maintained because of failure to solve some specific problems. Since the general shops were abolished, the administration has been streamlined, and more than 600 workers and staff of the whole system have been appointed to work in grassroots units in batches. They have helped grassroots units to do a good job in commerce and industry registration, opening accounts in the bank, transferring funds, building a personnel system, and paying taxes, so that grassroots units may become independent economic and accounting units in carrying out independent management, and their economic results have markedly improved.

Of the 23 shops under the former No 1 catering company, 6 often suffered deficits. Since the general shops were abolished, every grassroots unit has made profits. Of the 41 shops under the former No 2 catering company, 28 suffered deficits in August, in September, when the general shops were abolished, the number of grassroots units registering deficits dropped to 12, and the number continued to drop until, in October, only 6 suffered deficits due to poor management. There were 58 grassroots units under the vegetable company, and the annual deficit used to be more than 1 million yuan; in August 1984, the deficit was some 140,000 yuan; but when the general shops were abolished in September, the deficit dropped that very month, and a profit was made in October.

#### GUANGMING RIBAO DISCOURAGES USING POLITICAL LABELS

##### Part I

HK300800 Beijing GUANGMING RIBAO in Chinese 19 Nov 84 p 1

[Article by Lu Dingyi, as told to reporters Tao Kai and Zhao Shibao: "On Not Sticking Political Labels on Others"]

[Text] The 10th point of the "Decision of the CPC Central Committee on Reform of the Economic Structure" says: "When errors or deviations appear in the course of reform -- apart from those seriously violating the law and discipline which must be dealt with according to law -- we should adopt a policy of persuasion, criticism, and education toward the persons concerned and must not stick political labels on them." This is an extremely important stipulation governing inner-party life. Although the stipulation is only one sentence long, it is the crystalization of the party's experience over the past 60 years or so.

Our party is one which practices democratic centralism. There is extensive democracy within it, and on this basis, a high degree of centralism is established. I joined the party in 1925, when inner-party life was normal and we had light hearts. We were on very intimate terms with each other. We talked about anything among ourselves, including politics and private life. Among comrades, we talked freely even about things which we could not tell our families and relatives. I began life as an intellectual. Although I believed in communism, I still had many erroneous ideas. Through exchanging views with other comrades and learning from them, I felt that I gradually became mature.

In 1926, I came to know Comrade Qu Qiubai. He told me that there were some fundamental differences within the party. This was when I first discovered that struggle still existed within the party. The first inner-party struggle was that against Chen Duxiu's rightist deviationist line. At that time, a group of party members including Chen Duxiu and Peng Shuzhi refused to correct their obvious rightist deviationist errors and practiced the patriarchal system. Chen Duxiu made endless concessions to the KMT rightists. He did not permit the masses to mobilize to voice their opposition after the assassination of Liao Zhongkai and the "Zhongshan warship incident" staged by Chiang Kai-shek. Chen Duxiu took a pessimistic attitude toward the peasant movement and the development of revolutionary armed forces. Regarding the spontaneous ultra-leftist acts (such as the strike in Wuhan and the Children's Corps cutting long gowns short) of the workers and the masses, he only reprimanded them without giving them proper guidance or trying to persuade them, thus dampening their revolutionary enthusiasm and leaving them at a loss as to what to do. Chen Duxiu clearly knew that Chiang Kai-shek had become a counterrevolutionary and that Wang Jing-wei was about to oppose the revolution, but he did not alert other party members.



All this had to do with his ideology. He held that we should allow the bourgeoisie to lead the democratic revolution, and that the Communist Party should only lead the socialist revolution and not the democratic revolution. It is true that Marx only mentioned the proletariat leading the socialist revolution. However, Lenin had already developed Marxism and held that the proletariat should lead the democratic revolution and transform it into the socialist revolution. Lenin's book "Two Strategies of the Social Democratic Party in the Democratic Revolution" precisely examined this question. Chen Duxiu's leadership inevitably resulted in the failure of the revolution. In order to carry out the revolution and to be victorious, it was imperative to carry out inner-party struggle. At that time, the methods of struggle adopted were civilized and healthy. At party meetings, each expressed his own views and there was no joint attack against anyone. Later, at the crucial moment when the KMT government in Wuhan was about to turn against the revolution, Chen Duxiu resigned from the post of general secretary, left the Central Committee, and eventually became a Trotskyite. He was not dismissed but did this of his own accord without any pressure from others.

After Chen Duxiu left the post of general secretary, the Central Committee remained indispensable to the party. Qu Qiubai, Li Weiham, and other comrades who were working at the Central Committee at that time stepped forward to clear up the messy situation. They formed a 5-person central group which was supported by the representative of the Communist International, and convened the 7 August meeting. This meeting was of great significance for the Chinese revolution, but it also had flaws due to the party's immaturity. We will not discuss them here. The "7 August" meeting concerned itself with facts and not with individuals. It did not even mention Chen Duxiu's name when criticizing him and hoped that he would realize his mistakes.

After the "7 August" meeting, party life was restored to a normal state, but something "new" occurred. Comrade Zhou Enlai was punished for the failure of the Nanchang uprising. Comrade Ye Ting was punished for the failure of the Guangzhou uprising. Comrade Mao Zedong was punished for not seizing big cities in the peasants' uprising in Hunan. All these punishments were suggested by the representative of the Communist International and meted out accordingly by the Central Committee. The Qin kingdom grew prosperous after placing Meng Ming in an important post, while the Chu kingdom declined because it killed Zi Yu. This occurred as early as 2,000 years ago. Our methods were similar to those adopted by the Chu kingdom in killing Zi Yu. At that time, I found it very strange. Nevertheless, I was so immature that I thought: "The Communist International is definitely extraordinary; all and what it does is probably correct." Blind faith is the product of naivete. My blind faith in the Communist International, which had lasted for as long as 10 years from 1925 to 1935, began to wane only at the Zunyi meeting.

I mentioned something that happened in the early years of the party. In those days inner-party life was basically normal. The struggle against Chen Duxiu was a political struggle. Even a political struggle could be carried out in a healthy manner. As far as I was concerned, I felt some "regret." Had this struggle been waged earlier, the revolution might have been saved. The objective fact is that we suffered a setback and we later suffered setbacks again. Since the party was not mature, we did not win victory in the revolution. Even if we had won victory, we would not have been able to consolidate it. Experience and study were needed for the party to become mature; therefore time was needed. I will say more about what happened later.

## Part II

HK300806 Beijing GUANGMING RIBAO in Chinese 23 Nov 84 p 1

[Article by Lu Dingyi as told to reporters Tao Kai and Zhao Shibao: "On Not Sticking Political Labels on Others (continued)"]

[Text] The difference between Li Lisan's patriarchal system and Chen Duxiu's patriarchal system was the punishment for cadres was added to the former. Chen Duxiu refused to listen to opinions different from his and Li Lisan punished and reduced to a lower rank comrades, such as Yun Daiying, who did not agree with his view (on nationwide insurrection).

"Ruthless struggle and merciless blows" within the Communist Party were initiated by Wang Ming. Anyone who did not agree with Wang Ming's views was regarded as opposing "the international line," as being involved in "a question of political line," and as "opposing the party." Anyone who opposed the party was regarded as opposing the revolution and since he opposed the revolution, he was a counterrevolutionary. Struggle had to be carried out ruthlessly and blows had to be dealt mercilessly. Criticism of a person would be followed by examination and investigation in prison. Corporal punishment was used to extort a confession. He who confessed was treated as a counterrevolutionary. He who refused to confess was regarded as adopting a disgusting attitude and would also be treated as a counterrevolutionary. Execution would then be carried out and many people implicated. Differences of views were not confined to political views but included various views on ideology, propaganda, military affairs, economics, culture, and science. All such differences were regarded as political problems and political labels were stuck on those who held such different views. False charges were regarded as genuine ones. Those who lodged false charges were promoted while those who were falsely accused were examined, investigated, and punished. Even people who did not hold views opposite to his were also gotten rid of in one way or another if they were regarded as "an eyesore" by Wang Ming and Kang Sheng. In Wang Ming's eye, all veteran cadres were "opportunists," either "right deviationists" or "'left' deviationists." "'Left' deviation comes from right deviation." Therefore, Li Lisan's "nationwide insurrection was right and not 'left'" and if anyone who said that Li Lisan was "left," he was following a "compromising line," and so on and so on. This was regarded as acting like a "100 percent Bolshevik," that is, trying to outdo the Bolsheviks. It seemed that they were the only people who could lead the revolution to victory. Wang Ming's line ruled for 4 years, during which the relations of intimacy and unity among party members became relations of guarding against each other and treating each other superciliously. There was no more democracy and everyone was in danger.

Where did Wang Ming's "ruthless struggle and merciless blows" come from? This was not his invention but had been mechanically copied from abroad. It was called the "international line." Of course, Wang Ming had his ambition in practicing this.

Wang Ming had his "theory." His theory was chiefly based on the part of Lenin's "Two Strategies of the Social Democratic Party in the Democratic Revolution," which was applicable to Russia's reality but not to China's reality and on some dogmas which were not applicable to China's reality. Therefore, his theory was called dogmatism. In "Two Strategies," Lenin advocated that the Communist Party should lead the democratic revolution and this was a development of Marxism. It was also applicable to the Chinese revolution. We precisely used this theory to oppose Chen Duxiu's doctrines. Moreover, Lenin pointed out that the most important part of the democratic revolution was the agrarian revolution. This was also very important to us.



However, although the "Two Strategies" was applicable to Russia's reality, there were many things in it which were not applicable to China's reality. Let's take class analysis as a major example. There were three major classes in Russia -- the landlord class, the bourgeoisie, and the proletariat. Since China was invaded by the imperialists, its bourgeoisie was divided into the comprador bourgeoisie and the national bourgeoisie. The comprador bourgeoisie was one of China's major classes and compradors were again divided into those who served Britain, the United States, or Japan. Another example is that the Russian Revolution depended on insurrections in cities, whereas China depended on the peasants' wars, and protracted peasants' wars at that. Wang, Ming mechanically copied and applied things which were not in conformity with China's reality and regarded things which were summed up by Chinese comrades and which were in conformity with China's reality as "opportunism" which "opposed the international line" and which should all be opposed. This led to serious setbacks for the Chinese revolution and even nearly caused its failure.

Comrade Mao Zedong led the CPC in opposing Wang Ming's line and advocated that it was imperative to make investigations and studies, to seek truth from facts, and to integrate the universal truth of Marxism-Leninism with the concrete reality of the Chinese revolution. Regarding inner-party life, Comrade Mao Zedong opposed "ruthless struggle and merciless blows" and instituted the practice of achieving clarity in ideology and unity among comrades, and of learning from past mistakes to avoid future ones, and curing the sickness to save the patient. He also instituted the practice of not killing any of those who were suspected of opposing the revolution, not arresting most of them, and reaching a conclusion of a case on the basis of proven evidence. Comrade Mao Zedong advocated that regarding comrades who committed mistakes in following Wang Ming's line, we should see that they still stood for the agrarian revolution and for opposing imperialism and feudalist forces and therefore we should stress saving, educating, and helping them. This brought about the unprecedented unity of the whole party and its political life again returned to its normal state.

It was never expected that during the "Great Cultural Revolution," Comrade Mao Zedong himself would follow Wang Ming's example in practicing "ruthless struggle and merciless blows." When I was locked up in 1966, I still thought that he did things more correctly than I. It was only when corporal punishment was given me to extort a confession from me at the end of 1967 that I realized that he had violated the party's fundamental principle and committed a very serious mistake.

Viewed from the party's history in the past 60 years or so, victories were scored in revolutionary movements and in the party's cause when inner-party life was normally conducted in accordance with democratic centralism, and when the contrary was true, we suffered setbacks and failures. We must not stick political labels on those who hold views different from ours in ideology, politics, military affairs, economics, culture, science, organizational work, propaganda work, and other kinds of work. In the meantime, we must of course observe state laws and observe the party's institution and regulations. In this way, we can ensure the unity and stability of the party and the state and exercise good leadership over the socialist economic construction. Therefore, we say that this is extremely important experience from the past 60 years or so. The success of our cause and the destiny of the country and the people depend on it. We must not treat it lightly.

"The gang of four" called sticking political labels on others "opening a way for criticism on a large scale." At present, we would never allow such a disgusting practice to be "carried forward." Those who joined any "group for carrying out criticism on a large scale" controlled by the "gang of four" should awaken, make self-criticism, and rid themselves of the dirt on them. In so doing, they will gain the forgiveness of the party and the people.

MINISTRY CRACKS DOWN ON CORRUPT POWER STATIONS

OW031005 Beijing Domestic Service in Mandarin 1200 GMT 1 Dec 84

[Text] The Ministry of Water Resources and Electric Power recently summed up its achievements in the past year in cracking down on power stations which had abused their power for selfish purposes, and decided to further carry out this activity more thoroughly.

Relatively good results have been achieved in this regard since power industry departments began to combat corrupt power stations in November last year. In the past year, the electric power workers' sense of professional ethics and law observance has been strengthened, the number of corrupt power stations has decreased, and the service of electric power enterprises has gradually improved. However, there still exist a number of electric power enterprises that take advantage of their power to seek private interests and manipulate customers.

After analyzing this situation, the party group of the Ministry of Water Resources and Electric Power held that it is necessary to wage a protracted battle against corrupt electric power stations, insist on positive education next year, and concentrate efforts on the following tasks:

First, it is necessary to consolidate and develop the achievements that have already been made in the current task of cracking down on corrupt power stations. It is necessary to keep up the good practice and system of quality service, particularly to make constant efforts to perfect the system of supervision by customers, and to gradually solve problems of supply shortage, frequent power outage, and low voltage.

Second, it is necessary to link the task of cracking down on corrupt power enterprises with reform and party rectification. It is necessary to revise and perfect all related regulations and systems in light of reform, and to institute rules and regulations that will stop abuses by electric power enterprises.

Third, it is necessary to make cracking down on corrupt power stations an important task in the current campaign to build spiritual civilization together with other units, promote a new socialist style, and establish a new relationship between power supply and power consumption.

Fourth, it is necessary to launch activities among the country's power supply departments to build a power supply bureau that will be welcomed by consumers, to continue the efforts of cracking down on corrupt power stations, and to do a good job in building the contingent of power industry departments to serve the four modernizations.

TIAN JIYUN INTERVIEWED ON ENTERPRISE MANAGEMENT

OW030945 Beijing XINHUA Domestic Service in Chinese 0027 GMT 3 Dec 84

[Text] Beijing, 3 Dec (XINHUA) -- Issue No 49 of LIAOWANG weekly published on 3 December carries a talk by Tian Jiyun, vice premier of the State Council, on the question of distinguishing between the functions of the government and of the enterprise. The principal content of the talk, in an interview with the weekly's reporter, includes the necessity of distinguishing between the functions of government and the enterprise, how to start making this distinction, and the principal questions that exist and their solutions.

Tian Jiyun said: Distinguishing between the functions of government and enterprises is an important question in China's economic structure reform. It is also urgently needed to enliven enterprises and the national economy as a whole.

For a long time, we have had the traditional vague idea of lumping together ownership and the power of management. We think that enterprises owned by the whole people must be directly managed by state organs. It seems that otherwise the nature of ownership by the whole people will be changed. As a result, some enterprises owned by the whole people have actually become an administrative organ's appendages. The administrative departments in charge command and manage all production, supply, and marketing as well as manpower and financial and material resources, and also the practice of egalitarianism, delivery to the state of all profits -- whatever their amounts -- and application for reimbursement of all expenses, large and small. Under such circumstances, enterprises lose their internal vigor and external competition and become ossified molds. They seriously obstruct the development of our productive force in society. He said: After long practice, we have come to understand that under socialist ownership by the whole people, we can properly separate an enterprise's ownership from its power of management. Ownership belongs to the state, but the state does not necessarily manage enterprises directly, because state organizations are not enterprises. Therefore, we believe that the management of enterprises that are owned by the whole people may be completely entrusted to directors, managers, and workers of plants who are serving the state and society. Let them shoulder the responsibility for management and exercise corresponding power. This will not change the nature of state enterprises' ownership by the whole people, because the fixed and circulating funds of enterprises are still owned by the state, and they will pay various taxes to the state according to law. The state only hands over the power of management to directors, managers, and workers in industrial and business enterprises and lets them take their own initiative to run enterprises, distribute funds, and reserve funds for enterprises according to law. Article VI in the "Decision of the CPC Central Committee on Reform of the Economic Structure," adopted by the 12th CPC Central Committee at its 3d Plenary Session, deals exclusively with the question of separating government and enterprise functions in order to give full play to government organs so they can properly perform their function of managing the economy. It also elucidates the question from the high plane of theory. This is a change in concept.

How do we conscientiously separate government and enterprise functions? Tian Jiyun said: The most important thing is to give the power of management to enterprises, which directly engage in industrial production and construction and commodity circulation, and let them enjoy the full power of decision in administration and management within enterprises, so that enterprises, while obeying state plan and policy as prerequisites, can truly become relatively independent economic entities responsible for their own profits and losses. It is necessary to create conditions for enterprises so they can take their own initiative, and let them have the power of decision in terms of the method and scope of management, product varieties, and the way to use the minimum amount of resources to seek maximum results.

He further pointed out: A noteworthy problem is the appearance of a number of administrative companies which are contending for power with the enterprises; this is not to separate the functions of the government and enterprises, but to use the form of the company as a guise for exercising even tighter control over the enterprises by administrative and economic means than the administrative organs did in the past. This is not allowable and must be corrected in all seriousness.

With the separation of government and enterprise functions, what should government departments handle and how should they do it? With regard to this question, Tian Jiyun said: Only when the government departments get out of something can they perform their functions well.



On the one hand, specific affairs within the enterprise should be taken care of by the enterprise itself, thus relieving government departments from the burden of trifles. Government departments will then be able to devote their efforts to making investigations and studies and thinking over some questions. They will really carry out their functions of deliberating major issues, looking into the overall situation, and successfully exercising macro-control. The "decision" sets forth eight functions for government organs in managing the economy. The general guidelines of these functions are to do well in formulating macroeconomic policies, enacting economic legislation, using economic means, exercising supervision and examination, coordinating various services, and providing information. On the other hand, administrative organs should strive to serve the infrastructure and enterprises. In the past, we acted as "master" on the basis of our patriarchal dignity and authority. Now we have to do away with pretentiousness and work as a good "servant." In the past we did a lot to use our power to direct the operations of the enterprises; from now on we should make great efforts to win their faith by relying on the quality of our service to them. This is a drastic change in our thinking, work method, and work style. Personnel of government and organizations at all levels are requested to do their best to accelerate the process of this change.

#### DENG URGES PLA CONTRIBUTION TO ECONOMIC REFORM

OW040015 Shanghai WEN HUI BAO in Chinese 28 Nov 84 p 3

[Text] According to a BEIJING KEJI BAO [BEIJING SCIENCE AND TECHNOLOGY NEWS] report: At a recent discussion meeting on the situation of civilian goods production by the military industry held by the National Defense Science, Technology, and Industry Commission, Zhou Yiping, deputy political commissar of the commission, conveyed to the participants Comrade Deng Xiaoping's remarks urging the military industry to contribute to economic reform.

Comrade Deng Xiaoping said: The military industry has two strong points. One is that it has advanced and adequate equipment. The other is that it has a strong technical force. The military industry should make use of these two strong points to serve the country and contribute to economic reform in a still better way.

#### PLA AIR FORCE SUCCEEDS IN CARRYING OUT REFORMS

OW021115 Beijing Domestic Service in Mandarin 1000 GMT 30 Nov 84

[Text] This year, the Air Force has been achieving some initial success in the reform tasks it set for itself in the course of party rectification. It was disclosed at the ongoing third session of the Sixth Air Force CPC Committee that as of 25 November, the Air Force had fulfilled 106 percent of the annual total flight hour plan, overfulfilling the annual flight training plan more than 1 month ahead of schedule. The number of each pilot's flight hours increased by an average 7 percent and their tactical and technical level improved markedly. Flight safety was further improved over 1983, a year in which we attained a world advanced level in flight safety.

This year, the Air Force paid vigorous attention to improving education among cadres and established a rather complete and systematic educational system. The educational quality of pilots has been universally raised. Currently, one out of every four pilots is a college graduate.

Two-thirds of the members of leading bodies of combat troops at the divisional level or higher have undergone training at institutes of higher learning or secondary schools. In line with the requirements of modern warfare, the Air Force has also accelerated reforms in combat training and changed from training with one service or one type of aircraft to combined training with different services and different types of aircraft. At the same time, they have also carried out reform in political education, school education, logistics support, equipment maintenance, and scientific research, and thus brought about a new situation in the Air Force's combat training this year.

#### MILITARY ENTERPRISES HELP DEVELOP AUTO INDUSTRY

OW011219 Beijing XINHUA Domestic Service in Chinese 0738 GMT 30 Nov 84

[By reporters Yu Fengyuan and Peng Ziqiang]

[Text] Beijing, 30 Nov (XINHUA) -- A leading State Council comrade called for military industrial departments to develop the auto industry with their production capabilities. The Commission of Science, Technology, and Industry for National Defense recently called a special meeting to discuss this matter. The meeting decided to make full use of military industrial enterprises' favorable conditions in technology and equipment to produce various types of motor vehicles on the principle of specialization and large-scale cooperation and with good quality, high standards, and good economic results.

In the spirit of bringing about great development in the auto industry and avoiding blindness and proceeding from the country's overall situation and military industrial units' actual conditions, those attending the meeting drafted a plan for military industrial departments to further develop their motor vehicle production during the period of the Seventh 5-Year Plan. After consultation, they decided to form joint enterprises on the basis of mutual benefit and assistance to manufacture minicars as well as light and heavy-duty motor vehicles. Military industrial enterprises will be responsible mainly for the manufacture of auto bodies [qi che zong zhuang 3086 6508 4920 5944], major parts, and engines. Local factories should produce as many auto parts as possible. It is necessary to realize specialization and large-scale cooperation in order to quickly start the production of automobiles with less investment but better economic results.

In view of the situation in which our auto industry produces few light and heavy-duty motor vehicles, the departments of science, technology, and industry for national defense have organized the trial-production of minicars and light and heavy motor vehicles in a planned way in recent years. This year they have become capable of producing 30,000 motor vehicles annually. The major methods they use are:

Auto production lines are built by selecting military industrial enterprises close to the auto industry for reconstruction, expansion, or necessary technical transformation. For example, after being readjusted and with an additional 113 sets of new special machine tools, a certain carrier-rocket ground equipment factory has made 64 percent of its floor space and 88 percent of its equipment available for 28 production lines to produce motor vehicles, major engine components [fa dong ji zong zhuang 4099 0520 2623 4920 5944], and main parts. Now the factory is capable of producing 5,000 light motor vehicles and 6,000 engines a year. This makes it possible to manufacture a motor vehicle with an average investment that is only one-fourth of the investment needed by a newly built auto factory.



By breaking down barriers between regions and trades, military industrial enterprises and local factories have formed integrated establishments, with the former as the leading factor. Carrying out specialization and cooperation, they make joint efforts to produce motor vehicles. They produce more automobiles with less investment. With itself as the general factory, a military industrial unit in Anhui Province has organized 11 military industrial enterprises and 23 civil enterprises to produce minicars together. They are capable of producing 4,000 minicars a year.

Relying on their own favorable conditions and combining technology with trade, they cooperate with foreign firms in producing motor vehicles. This makes it possible for them to turn out good-quality products with relatively advanced technology. For example, a certain antiaircraft gun factory cooperated with a foreign firm in manufacturing 36-dun dump trucks for mining purposes. Such trucks performed well when tested, and they remained in good condition even when doubly overloaded.

#### PLA HOSPITALS SERVE CIVILIAN PATIENTS

OW030827 Beijing XINHUA Domestic Service in Chinese 0020 GMT 2 Dec 84

[By Reporter Guo Diancheng]

[Text] Beijing, 2 Dec (XINHUA) -- The hundreds of PLA hospitals have been opened to the general public in all localities. Incomplete statistics released by departments concerned show that during the first 9 months this year, PLA hospitals admitted over 587,000 patients who needed to be hospitalized, and treated over 10.26 million people in their outpatient departments.

This year, in the course of carrying out administrative reform, hospitals under the PLA have fulfilled their duty of serving people in the service and have also exerted efforts to tap their resources to help the local authorities solve their problems of inadequate medical service. The PLA General Hospital, the PLA's largest and best hospital, not only admits local patients who need hospitalization, but also provides Sunday medical services for civilian patients. Its specialists, professors, and young medical workers have made it a practice to serve civilian patients warmly. From January through October this year, 40 percent of the patients hospitalized by the PLA Air Force General Hospital were civilians. The percentage of civilian patients was even higher for the 10 hospitals affiliated to the PLA's four colleges of military medicine.

During the first half of this year, PLA hospitals also conducted **physical** exams for hundreds of thousands of women, children, and middle-aged intellectuals of the local authorities, and dispatched thousands of medical teams to treat people working in mining and rural areas, grasslands, and offshore islands.

#### ARMED POLICE FORCE MEETING OPENS IN SHANGHAI

OW010725 Shanghai City Service in Mandarin 2300 GMT 29 Nov 84

[Text] The first reading and speaking experience-exchange meeting of the Chinese People's Armed Police Force solemnly opened in Shanghai on the morning of 29 November. Yang Di, member of the CPC Central Committee and secretary of the Shanghai Municipal CPC Committee; Li Zhenjun, political commissar of the Armed Police Forces; (Gong Die), head of the Political Department of the Armed Police Force; and Comrade (Yu Zhanhua) of the Propaganda Department of the CYL Central Committee were present at the opening ceremony. The Armed Police Corps of the country's 29 provinces, municipalities, and autonomous regions as well as academies, schools, and other units directly under the Armed Police Force Headquarters all dispatched representatives to attend this meeting.

Political Commissar Li Zhenjun spoke at the opening ceremony. Comrades Yang Di and (Yu Zhanhua), respectively representing the Shanghai Municipal CPC Committee and the CYL Central Committee, also spoke at the opening ceremony. The meeting will end on 3 December.

NPC GROUP STOPS OVER IN KUNMING 3 DEC

HK031315 Kunming Yunnan Provincial Service in Mandarin 1100 GMT 3 Dec 84

[Text] Headed by Ye Fei, vice chairman of the NPC Standing Committee, a 12-member NPC delegation, en route to visits in Burma and Thailand, arrived in Kunming from Beijing by plane this morning. Liu Minghui, chairman of the provincial People's Congress Standing Committee; Qi Shan, vice chairman; (Wang Zemin), deputy secretary general of the provincial People's Congress Standing Committee and concurrently director of the General Office; He Bo, chairman of the Kunming City People's Congress Standing Committee; and Pan Dingsu, director of the provincial Foreign Affairs Office, went to the airport to welcome the delegation.

BURIAL SERVICE FOR GENERAL WU SHIMIN IN SHANXI

OW020845 Beijing XINHUA Domestic Service in Chinese 1510 GMT 29 Nov 84

[By reporter Chi Maohua]

[Text] Taiyuan, 29 Nov (XINHUA) -- A burial service for the remains of General Wu Shimin, a noted patriot who took part in the war against Japanese aggression, was held at the Taihangtaiyue Cemetery of Fallen Revolutionaries in Shanxi's Changzhi City today.

Wu Shimin was commander of 98th Corps of the National Revolutionary Army and unfortunately died on the anti-Japanese front in 1921. He remains were taken away and buried by the Japanese Army. After liberation, governments at various levels in Shanxi Province made repeated efforts to locate Gen Wu Shimin's remains and finally found them near the city wall in Changzhi City's southwest area in May this year.

Governor Wang Senhao delivered a memorial speech at the burial ceremony: He said: Gen Wu Shimin was our party's faithful friend and an outstanding Chinese. We should always cherish his memory and learn from his daring revolutionary will, his noble trait of taking the whole situation into consideration, and his patriotic spirit of defending the national honor.

Gen Wu Shimin's son, Wu Tie, also spoke at the ceremony. Wu Hongyuan, grandson of Gen Wu Shimin, recently wrote a letter from the United States expressing his appreciation to the People's Government for locating the remains of his grandfather after 43 years.

On the eve of the burial service, Bo Yibo, vice chairman of the Central Advisory Commission, wrote a memorial article entitled: "Cherish the Memory of Martyr Gen Wu Shimin."

Responsible comrades of the CPPCC National Committee, the United Front Work Department of the CPC Central Committee, the Ministry of Civil Affairs, the Revolutionary Committee of the Chinese Kuomintang, the Hebei Provincial CPPCC Committee, Shanxi Province, and Changzhi City attended the burial ceremony. Representatives from Hebei's Huaian County, Gen Wu Shimin's native place, and Shanxi Qinshui County, where he sacrificed his life, also attended the ceremony.

XI ZHONGXUN PAYS LAST RESPECTS TO ZHOU RENSHAN

OW010149 Beijing XINHUA Domestic Service in Chinese 1633 GMT 30 Nov 84

[Excerpt] Beijing, 30 Nov (XINHUA) -- Comrades Xi Zhongxun, Song Renqiong, Peng Chong, Ngapoi Ngawang Jigme, Baingen Erdini Qoigy Gyaincain, Wu Xiuquan, and He Changgong went to the Beijing Hospital this afternoon to pay their last respects to the remains of Comrade Zhou Renshan, adviser to the Law Committee of the Sixth NPC and former vice chairman of the Legislative Affairs Commission of the NPC Standing Committee. Comrade Zhou Renshan died of illness in Beijing on 7 November at the age of 72. While he was in the hospital, Xi Zhongxun and other leading comrades visited him.

Beside the remains of the Comrade Zhou Renshan were wreaths sent by Peng Zhen, Ulanhu, Xi Zhongxun, Chen Pixian, Hu Qili, Peng Chong, Ngapoi Ngawang Jigme, Baingen Erdini Qoigy Gyaincain, Wu Xiuquan, Zheng Tianxiang, Yang Jingren, and other comrades. The NPC Standing Committee, the Supreme People's Court, the Central Commission of Political Science and Law, the Organization Department and the United Front Work Department of the CPC Central Committee, the NPC Law Committee, the NPC Nationalities Committee, the NPC Legislative Affairs Commission, the NPC Standing Committee General Office, the State Nationalities Affairs Commission, the Ministry of Justice, the Qinghai Provincial CPC Committee, the Xizang Autonomous Regional CPC Committee, the Xinjiang Uygur Autonomous Regional CPC Committee, the Nei Monggol Autonomous Regional CPC Committee and Gansu's Huating County CPC Committee and People's Congress Standing Committee also sent wreaths.

WAN LI, WANG ENMAO TOUR XINJIANG PROJECTS

OW020801 Beijing XINHUA Domestic Service in Chinese 1421 GMT 1 Dec 84

[By reporter Wang Youfu]

[Text] Urumqi, 1 Dec (XINHUA) -- Wan Li, member of the Political Bureau of the CPC Central Committee and vice premier of the State Council, heard a report from the Xinjiang Uygur Autonomous Regional CPC Committee on 30 November concerning development and construction in Xinjiang. He urged Xinjiang to step up efforts in training skilled personnel, further strengthen unity, and do a successful job in party rectification in order to contribute more to developing and building the vast northwestern region of the motherland.

Wan Li pointed out: Xinjiang is the motherland's treasure land and is strategically located. Party and government leaders at various levels in the autonomous region must, first of all, make vigorous efforts to train skilled personnel, particularly technical personnel. Second, it is necessary to further strengthen unity among the various nationalities as well as between the Army and the government and between army men and civilians and to absolutely refrain from doing or saying things detrimental to unity. Third, it is necessary to conscientiously carry out party rectification, especially at prefectural and county levels, and to closely combine party rectification with implementation of the guidelines of the 3d Plenary Session of the 12th CPC Central Committee.

Wan Li arrived in Urumqi on 28 November after attending, together with the CPC delegation he led, the 13th Congress of the Romanian Communist Party. Accompanied by autonomous regional CPC Committee First Secretary Wang Enmao and others, Wan Li visited the Urumqi petrochemical general plant; the Tianshan Woolen Textile Products Company, Ltd, the first Sino-foreign joint venture in Xinjiang; and the Xinjiang geology and mineral resources exhibition hall on 29 November.



During the visit, Wan Li said: With its vast land and other assets, Xinjiang should have plenty of financial resources. It has already achieved certain progress in its work. As long as we do our job well, Xinjiang can become well off. He also called on the various industrial departments in the autonomous region to resolutely carry out reform, make full use of local resources in striving to develop production, and make active efforts to open the region to the outside world by inducing more foreign funds and setting up more Sino-foreign joint ventures.

#### HU YAOBANG COMMENTS ON LIVESTOCK EMBRYO TRANSFER

OW010019 Beijing Domestic Service in Mandarin 1200 GMT 29 Nov 84

[Text] China has achieved breakthroughs in the technique of livestock embryo transfer. In recent comments on a report written by the Academy of Agricultural Sciences in this regard, Comrade Hu Yaobang said: It is encouraging news. I hope that efforts will be stepped up to popularize and further improve the technique and that comrades who have made contributions will be given generous rewards. Nevertheless, efforts should also be made to import high-fertility bulls and milchcows. We can certainly achieve faster results by making efforts in the above-mentioned two fields simultaneously.

Embryo transfer is a new livestock breeding technique, which is also called proxy conception. Embryo transfer to milchcows has greater economic value than to other livestock, because it can fully tap a high-fertility milchcow's hereditary potential, speed up the breeding process, and raise the quality of milchcows.

Through efforts over the years, the scientists and research personnel of the Animal Husbandry Institute of the Chinese Academy of Agricultural Sciences have achieved important breakthroughs in this field. In 1980, China succeeded in freezing a sheep embryo for the first time. In 1983, China succeeded in using the embryo transfer technique to induce bulls from abroad for the first time. Frozen embryos of milchcows imported from West Germany produced calves in Zhenjing, Tianjin, and Harbin. At present, the institute has established a preliminary contingent of technicians familiar with the embryo transfer technique.

#### HU QILI INSPECTS EDUCATION WORK IN JIANGXI

OW301105 Nanchang Jiangxi Provincial Service in Mandarin 1100 GMT 29 Nov 84

[Text] According to our reporter He Jianli, Hu Qili, member of the Secretariat of the CPC Central Committee, came to Jiangxi to investigate and study the work of educational reform in the province. Accompanying Comrade Hu Qili on this trip were Peng Peiyun, vice minister of education, and Ai Zhisheng, deputy secretary general of the State Council.

On 28 November, Comrade Hu Qili visited Jiangxi University, Jiangxi Engineering College, the Second Middle School of Nanchang, and the Experimental Primary School affiliated to the Nanchang Teachers Institute. He was accompanied by Bai Dongcai, secretary [as heard] of the Jiangxi Provincial CPC Committee, and Zhao Zengyi, governor of the province. They inspected the laboratories and mess halls of these schools and held discussions with the teachers and students.

That evening they heard briefings by the provincial Department of Education and by some institutions of higher learning. During the briefings, Comrade Hu Qili inquired about the detailed measures taken by Jiangxi Engineering College to help its graduates get jobs. He praised the efforts of some universities, colleges, and middle and primary schools to open new courses, institute the work-study program, and improve conditions for developing education.



He also expressed support for the bold steps they had taken to reform the system of distribution of students and the work of scientific research.

Comrade Hu Qili was very pleased to learn that in the past few years a lot of young and middle-aged cadres with warm love for education work and capable of teaching students or managing schools had emerged on the educational front of our province. He praised them as the greatest potential force in developing production and one of the most valuable mainstays that Jiangxi can rely upon to quadruple the annual gross value of its industrial and agricultural production. In addition, he urged leaders at all levels to pay attention to education work and show concern for teachers. The whole society, he said, should respect teachers and their work.

#### YANG DEZHI ADDRESSES MOUNTAINEERING MEETING

OW021149 Beijing XINHUA Domestic Service in Chinese 1306 GMT 30 Nov 84

[Text] Beijing, 30 Nov (XINHUA) -- At the third annual meeting of the National Mountaineering Association, which ended here today, Yang Dezhi, honorary president of the association and chief of General Staff of the Chinese PLA, said that to develop mountaineering in our country, we must follow the principle of "doing mountaineering well in the country and persistently opening to the outside."

The third annual meeting of the National Mountaineering Association opened in Beijing on 22 November. It was attended by representatives from Xizang, Xinjiang, Sichuan, Qinghai, Gansu, Yunnan, and other parts of the country.

Yang Dezhi said: This annual meeting has been convened after the 3d Plenary Session of the 12th CPC Central Committee adopted the "Decision on Reform of the Economic Structure" and the party Central Committee issued the "Circular on the Further Development of Physical Culture and Sports." This is actually a meeting to act in the party Central Committee's spirit of reform and to discuss how to implement the guidelines laid down by the party Central Committee in its circular on the further development of physical culture and sports.

He said: Developing mountaineering in the country and persistently opening to the outside mean that it is necessary to try in every possible way to develop mountaineering by vigorously conducting mass mountain-climbing activities in our country while, at the same time, opening more mountain peaks to foreign mountaineers, reducing the fees they pay, and welcoming foreign groups and individuals to climb mountains as a sport or to do so as tourists in country. He said: In vigorously developing mass mountaineering activities and mountain climbing by tourists, the aim should be acquiring a knowledge of nature and science, fostering high values, improving people's health, and training mountaineers for the country.

#### LU DONG URGES ENERGY CONSERVATION MEASURES

OW011222 Beijing XINHUA in English 1159 GMT 1 Dec 84

[Text] Beijing, December 1 (XINHUA) -- About 15 million tons of standard coal were saved by Chinese enterprises in the first three quarters of this year, a senior energy official said here Friday evening.

This was 83 percent of the 1984 target, said Lu Dong, minister in charge of the State Economic Commission, in a national telephone conference. Though the January-October energy output was 8.8 percent more than that for the same 1983 period, Lu noted, energy supply would remain strained in the next few years because of the greater demand from the country's booming industry.

According to the State Statistical Bureau, China's industrial output value in the first three quarters of this year was 12.5 percent more than in the same 1983 period. To improve efficiency in energy consumption, Lu said, a quota system had been introduced and consumers had to pay extra fees if they exceeded the quotas. The government will use the extra fees charged to help energy-conserving enterprises. He urged Chinese enterprises to intensify their efforts to upgrade equipment and technology.

Addressing the conference, Li Renjun, advisor to the State Planning Commission, said that China would convert enterprises that burn 20 million tons of oil and more by the year 1990 into coal burning ones.

#### CENTRAL LEADERS ON ENDEMIC DISEASE CONTROL

OW040523 Beijing Domestic Service in Mandarin 1200 GMT 3 Dec 84

[Text] According to our reporter Wang Weiting, at the request of Comrade Li Desheng, member of the Political Bureau and head of the CPC Central Committee Leading Group for the Prevention and Treatment of Endemic Diseases Guo Ziheng, deputy head of the group and vice minister of public health, this afternoon briefed reporters in the capital on the work done to control endemic diseases in our country.

Guo Ziheng said: In the 35 years since the founding of the party and state we have attached great importance to the work of preventing and treating endemic diseases. Our country now has made considerable achievements in this work. Through investigation, we have gained a clear, general understanding of the current situation of these diseases. Major epidemics that have broken out have been put under control. To control a disease caused by fluorine poisoning in some localities, as many as 9,000 water-improvement projects have been completed since the 3d Plenary Session of the 11th CPC Central Committee. There have been immense changes in areas where endemic diseases were once prevalent.

Comrade Gu Ziheng continued: Despite the considerable achievements our country has made in preventing and treating endemic diseases, the work in this regard will continue to be heavy in the days to come. Comrade Deng Xiaoping recently wrote an inscription, which reads: Control endemic diseases for the benefit of the people. An inscription by Comrade Chen Yun reads: Do well work to control endemic diseases to raise the health level of our nation and to benefit our people. In a letter to Comrade Li Desheng, Comrade Zhao Ziyang stated that the work of endemic disease control has a very significant effect on the people's well-being, production, and national defense; it is hoped that you, together with comrades in various localities, will continue to grasp this work firmly, implement the necessary measures, and see to it that the work proves to be a real success.

The CPC Central Committee Leading Group for the Prevention and Treatment of Endemic Diseases has expressed the hope that party committees and governments at all levels will enhance their understanding of the harmful effects of endemic diseases, further strengthen their leadership, and try to achieve effective results in creating a new situation in the work of preventing and treating endemic diseases.

LANGUAGE OFFICIAL URGES GREATER STANDARIZATION

OW040714 Beijing XINHUA in English 0700 GMT 4 Dec 84

[Text] Guangzhou, December 4 (XINHUA) -- A greater standarization of the Chinese written and oral languages has been called for by Liu Daosheng, chairman of the Committee for Reforming the Chinese Language.

Liu, who is here inspecting efforts being made in Guangdong Province to promote putonghua (common spoken Chinese based on Beijing prounciation), said standardization would check the many inconsistencies in the usage of modern Chinese characters.

In an interview with XINHUA, he urged people to take more care over the written language. Some people simplified characters at their own will, and there were many instances of older, complex forms being used instead of officially standarized, simplified characters. Liu also called for a review of the phonetic alphabet, known in the West as "pinyin", to determine ways of perfecting the system.

Ren Zhongyi, first secretary of the Guangdong provincial party committee, recently also stressed the use of putonghua in Guangdong. He said Guangzhou dialect should not be used as the standard dialect in the province, for two-thirds of the people speak not Cantonese but Chaozhou (Tuichui), Kejia (Haka) or Hainan dialects. The first secretary quoted China's constitution article "the state promotes the nationwide use of putonghua".

COMMODITIES, JOURNALISM, LAW HANDBOOKS COMPILED

OW301311 Beijing XINHUA in English 1152 GMT 30 Nov 84

[Text] Beijing, November 30 (XINHUA) -- The Chinese Ministry of Commerce is now compiling the country's first "Dictionary of Commodities". The 40-volume dictionary will cover 50,000 commodities such as confectioneries, cigarettes, alcoholic drinks, meat, poultry, vegetables, native and special products, clothes, shoes, hats, household electrical appliances, daily necessities, instruments and meters, metals and machines. The first volume is scheduled to be published by 1986. All volumes are expected to be out by 1995.

A 900,000-word handbook of journalism has been compiled and will be published by the Xinhua Publishing House. The handbook covers politics, law, economy, military affairs, science, education, literature, art, public health, sports, international affairs, journalism and publications. It is compiled jointly by PEOPLE'S DAILY the XINHUA NEWS AGENCY, the Ministry of Radio and Television and five other organizations.

The first volume of "Collected Papers on Law in China" has been issued by the law publishing house. The 31 papers are on legal theory, the Constitution, criminal law, marriage law, legal history, procedural law, international law and economic law. All have been written since 1978 by noted professors.

CHINA BUILDS FIRST WATERSIDE SOLAR OBSERVATORY

OW030809 Beijing XINHUA in English 0704 GMT 3 Dec 84

[Text] Beijing, December 3 (XINHUA) -- China's first waterside solar observatory has been completed at the Huairou Reservoir on the northern outskirts of Beijing, with a total investment of more than one million yuan. Astronomers are now testing the instruments.

The observatory was built on the bank of the reservoir because the surrounding temperature changes are more moderate than elsewhere, and the air currents will not affect visibility, according to an astronomer at the Beijing Astronomical Observatory. The new observatory will provide scientists with up-to-date equipment for studying the sun's activities and the sun-earth relationship, he said.

The magnetic telescope installed in the new observatory is up to advanced international standards, and the revolving dome can move horizontally, he added. The station is also a new attraction for the reservoir, which is a popular tourism spot in summer.

BRIEFS

COMMUNICATIONS PAPER INAUGURATION -- ZHONGGUO JIAOTONG BAO [CHINA COMMUNICATIONS NEWS], a newspaper sponsored by the Ministry of Communications, was formally inaugurated on 7 November. The readers of the newspaper, which contains four folio pages, will include mainly workers and staff members of communications departments all over the country. It will be published every Wednesday and Saturday, beginning next year. [Summary] [Beijing Domestic Service in Mandarin 2230 GMT 6 Nov 84 OW]

INFORMATION COMPANY -- Beijing, 14 Nov (XINHUA) -- The China Information Company formed by over 100 researchers of colleges and research institutes was inaugurated in Beijing on 14 November. The company will engage in research and development of the information technology. Li Jinkai has been elected board chairman and general manager of the company, while Comrade Lu Dingyi has been appointed honorary chairman. [Summary] [Beijing XINHUA Domestic Service in Chinese 1324 GMT 14 Nov 84 OW]

NEW FLOATING PIER -- China's largest new-type energy-consuming [xiao neng xing 3194 5174 0992] deep-water floating pier along the coast passed a technical assessment test at a certain unit of the East Sea Fleet on 30 October. Stylish in design and rational in layout, the pier is suitable for docking all kinds of vessels and can be popularized for military and civilian uses. The 90-meter energy-consuming deep-water pillar-type floating pier was designed by the Navy Engineering Design and Research Bureau and was constructed by No 2 Engineering Department of the East Sea Fleet. [Text] [Hangzhou ZHEJIANG RIBAO 14 Nov 84 p 1 OW]



ANHUI ISSUES GUIDELINES FOR PERSONNEL EXCHANGE

OW040641 Hefei Anhui Provincial Service in Mandarin 1100 GMT 2 Dec 84

[Text] To eliminate departmental or regional ownership of personnel and to enhance rational flow of personnel, the Organization Department of the Anhui Provincial CPC Committee and the provincial Personnel Affairs Bureau recently issued a circular setting forth the guidelines for further broadening the avenue for rational flow of personnel.

Owing to attention and support from various party and government organs, the service of promoting exchange of personnel has gradually developed and become increasingly active in Anhui. The province now has 36 personnel organizations and their work of registering people in various specialized fields has been active. Since its establishment last May, the provincial Personnel Exchange Service has registered 2,037 people, including 105 from other provinces wishing to work in Anhui. Among those who have registered, 74 are assistant engineers or people with higher ranking technical titles. A rational flow of specialists and technicians has materialized among various departments in the province.

To further promote the rational flow of personnel and broaden the avenue of personnel exchange, the circular sets forth the following guidelines:

1. Heighten understanding of the importance of personnel exchange. Personnel affairs departments of all units and organs must heighten their understanding of the importance of personnel exchange; adopt an overall viewpoint; combat departmentalism; remove the barriers between various regions and departments; and promote rational flow of personnel from cities to the countryside, from large cities to medium-sized and small cities, from inland areas to remote areas, from state-owned units to collectively owned units, and from departments or units replete with specialists and technicians to where technical strength is weak and must be urgently reinforced. This task should be accomplished in accordance with the principle of giving full scope to each person's capabilities and in the spirit of reform.
2. Actively support the rational flow of specialists in accordance with the principle of giving full scope to their capabilities. To promote rational flow of intellectual resources, authorities concerned should energetically support the flow of people in the following categories [words indistinct]: A) people whose specialities cannot be properly used in units where they work; B) people who work in a unit with ample specialists, and who request to work in a unit where there is a shortage of qualified personnel; C) people who apply to work in enterprises or establishments in small towns; D) people who apply to work in mountainous counties or remote areas where life is difficult; E) People who apply to work in major construction units of the state or the province, or units handling major research projects; F) people working in state-owned units who apply to work in collectively owned units, especially in unprofitable collectively owned enterprises sponsored by townships or towns, where they can create a new situation; G) people who request to work in a unit where they can be reunited with their spouse; H) graduates of televised, correspondence, evening or sparetime college courses, and workers who have passed college-level tests for self-taught students, who request to work in units or posts where their specialities can be utilized; I) cadres who have graduated from professional cadre training classes, whose present jobs do not match their specialities; and J) professionals or technicians hired or borrowed by households engaged in specialized production.
3. Specialists or technicians, whose specialities are not properly utilized for various reasons, who request a change of post and whose requests conform to the rational flow of personnel should be transferred within their original departments and regions.

Should a unit fail to do so, it should permit the specialists or technicians to work in a unit willing to accept them and whose operation corresponds to their specialties. If a unit delays in making the change and refuses to let its personnel leave, the personnel affairs department of the higher authorities has the power to authorize the change. Under the arbitration of the personnel affairs department of the higher authorities, a specialist or technician may also request to resign from his unit. The personnel affairs department of the higher authorities will handle the formalities of his transfer, the assessment of the length of his service will not be interrupted, and his pay scale and technical title will not be affected. After being notified by the personnel department, the unit or department concerned should render assistance in helping the resignee transfer his record of residence, acquire grain and edible oil ration, and transfer his party or CYL credentials.

4. Strengthen the building of various service agencies handling personnel exchange. The provincial personnel exchange service should be built into a center providing information on personnel and their exchange. It should also provide the service of coordinating personnel exchange in all areas, be well informed of the situation, constantly sum up experiences, and provide the necessary professional guidance. Whenever possible, prefectures and counties that have not yet set up personnel exchange institution should do so according to their actual situation. Leading departments at all levels should assist them and give them guidance regarding their proper structure, budget, and staffing.

#### HIGH INDUSTRIAL, AGRICULTURAL OUTPUT IN FUJIAN

OW301241 Beijing XINHUA Domestic Service in Chinese 0009 GMT 30 Nov 84

[Text] Fuzhou, 30 Nov (XINHUA) -- The rate of increase in the value of Fujian's total industrial and agricultural output this year is among the highest in the country. It is estimated that Fujian may hit the target set in the Sixth 5-Year Plan by the end of the year, a year ahead of time. This is based on the statistics as of the end of October. The statistics were made public by the responsible department of the Fujian Provincial People's Government.

According to these statistics, from January through October, Fujian's total industrial output value was 9.21 billion yuan, or 90.3 percent of the 1984 plan. [XINHUA in English at 0859 GMT on 1 December, in a similar item, renders this figure as "93 percent."] This is 18.4 percent over the same period last year and 5.7 percent over the national average, ranking second in the whole country. Industrial economic results were characterized by "double digits and threefold increases"; that is, industrial enterprises' output value within the budget, the income from sales, and the profits and taxes already turned in to the state increased 14.4 percent, 12.3 percent, and 12.7 percent over the same period last year respectively.

The department in charge under the provincial government has listed the following main reasons for Fujian's relatively faster economic development. 1) Economic restructuring was accelerated and enterprises were invigorated by simplifying administration and granting enterprises the right to make their own decisions. 2) Marked progress was made in stepping up economic activities with foreign countries such as conducting economic and technical cooperation and exchange, in importing foreign capital and advanced technology, and in transforming old enterprises, thereby increasing the economic results. In January through September, peasants raised over 200 million yuan among themselves to run more than 36,000 enterprises. The total income of township and village enterprises this year is expected to reach 3.5 billion yuan, 28 percent over the same period last year and surpassing the target set in the Sixth 5-Year Plan.

BAI DONGCAI ON JIANGXI PARTY RECTIFICATION

OW031345 Nanchang Jiangxi Provincial Service in Mandarin 1100 GMT 2 Dec 84

[Text] The Jiangxi Provincial CPC Committee's group for guiding party rectification on 30 November held a meeting of secretaries of party committees and leading party groups of all units directly under the provincial authorities currently undergoing party rectification, to sum up the achievements in rectification and correction of the first batch of units conducting party rectification, analyze existing problems, and make arrangements for the tasks for the next step [xia yibu] in party rectification. The meeting called for well-rounded fulfillment of the tasks during the phase [jie duan] of rectification and correction.

Bai Dongcai, first secretary of the provincial CPC Committee and head of the committee's group for guiding party rectification, attended and addressed the meeting. (Xu Wenlou), member of the provincial CPC Committee's group for guiding party rectification and head of the office of the provincial CPC Committee's group for guiding party rectification, announced the group's views on the present situation in rectification and correction work and on the next step of tasks.

The meeting held that the progress of rectification and correction among the first batch of units in our province undergoing party rectification has been appropriate, smooth and sound. Their achievements are obvious. However, we must also note that present developments in party rectification are still uneven. The meeting stressed that all units must strengthen their leadership, overcome complacency about being advanced, and fulfill the tasks of the rectification and correction phase from start to finish. The specific requirements are: 1) Units which have done a good job in party rectification and have basically fulfilled the tasks of the rectification and correction phase should conscientiously sum up their experience, continue to consolidate and expand their achievements, and begin to enter the phase [jie duan] of organizational measures and registration of party members; 2) units which have not yet fulfilled the tasks of the rectification and correction phase should grasp well the rectification and correction tasks from start to finish; 3) the few units which have not conducted the rectification and correction work satisfactorily should, in accordance with the circular of the Central Commission for Guiding Party Rectification and the requirements set by the provincial CPC Committee, make a rectification and correction plan, take effective measures, and concentrate their efforts over a period of time to forcefully grasp the tasks of the rectification and correction phase.

Comrade Bai Dongcai, in his remarks, pointed out: At present, we must, in accordance with the party Central Committee's decision on party rectification and the guidelines of the 3d Plenary Session of the 12th CPC Central Committee, make further efforts to set right our guiding ideology in practical work and conduct education in thoroughly negating the Great Cultural Revolution in order to maintain high standards in carrying out the tasks of the rectification and correction phase.

He also laid down three requirements for the second stage [qi] of party rectification work: 1) Since the number of units taking part in the second stage of party rectification are too numerous and wide-ranging, leadership over party rectification, to a large extent, should be assumed by the leading bodies of these units; we must make a careful analysis of the situation in these leading bodies and first of all reshuffle those that are untidy and incompetent; 2) we should immediately make an overall plan for deliberating and readjusting the arrangements for the second stage of party rectification in accordance with the views of the Central Commission for Guiding Party Rectification on the general situation in the first stage of party rectification and the arrangements for the second stage of party rectification; 3) there must be a clear-cut policy concerning the tasks of sorting out the three types of persons and conducting education in thoroughly negating the Great Cultural Revolution in units taking part in the second stage of party rectification. Ideological education and preparation for [word indistinct] must be done well.



Fu Yutian, permanent deputy head of the provincial CPC Committee's group for guiding party rectification, and Comrade (Wan Baoyang) of the liaison officers group of the Central Commission for Guiding Party Rectification stationed in Jiangxi were present at the meeting.

LI SPEAKS ON SHANDONG PARTY REGISTRATION

SK290625 Jinan Shandong Provincial Service in Mandarin 2300 GMT 28 Nov 84

[Text] On the afternoon of 28 November, at the meeting of leading cadres of the provincial-level organs sponsored by the provincial CPC Committee, Li Changan, deputy secretary of the provincial CPC Committee, stressed the necessity of paying attention to the organizational measures and registration of party members in carrying out party rectification.

Comrade Li Changan said: Recently, in its Circular No 10, the Central Committee for Guiding Party Rectification clearly defined the guiding ideology, purpose, demands, principles, policies, methods, steps [words indistinct] and the way to strengthen leadership. In line with the guidelines of the instructions of the Central Committee for Guiding Party Rectification, and with the suggestions of the Standing Committee of the provincial CPC Committee, the party rectification units at the provincial level should now gradually enter the next stage in which the organizational measures towards party members should be conducted. Most organs at the provincial level have already been qualified to enter the stage of organizational measures and registration of party members. Since the beginning of party rectification in December last year, the provincial-level party organization units have undergone the stages of studying documents, making comparison and examination, and making rectification and correction. Overall, these units have done a good job at these three stages, and scored relatively remarkable achievements in straightening out the professional guiding ideology, in thoroughly negating the Great Cultural Revolution, in eliminating factionalism and strengthening party spirit, in correcting unhealthy trends, in assessing the three types of persons, in strengthening leading bodies and building the third echelon, and in promoting reform, economic construction, and work in various other fields. Facts show that most units have been qualified to enter the stage of organizational measures and registration of party members. All such units should conscientiously examine their situations on making rectification and correction through the concerted efforts of leaders and the masses, in line with the CPC Central Committee's decision on party rectification and with the demands of Circular No 9 issued by the Central Committee for Guiding Party Rectification. Those units which have basically fulfilled the tasks for the rectification and correction stage should be allowed to enter the stage of organizational measures and registration of party members. Those units which have not yet met the basic demands for the rectification and correction stage should adopt effective measures to strengthen the rectification and correction work in the course of conscientiously studying the decisions adopted at the 3d Plenary Session of the 12th CPC Central Committee, and then enter the next stage.



Comrade Li Changan said: We should fully understand the important significance of organizational measures and registration of party members. Organizational measures and registration of party members are a necessary step of party rectification. Without this step, we will be unable to comprehensively fulfill the party rectification task, nor can we organizationally consolidate and develop the party rectification achievements. At this stage, party rectification work should be focused on educating the majority in an effort to further improve the ideological and political quality of the large number of party members and to strengthen organizational discipline among party members. Party rectification work at this stage should also be focused on taking due disciplinary action towards the minority in an effort to actually preserve the purity and steadfastness of party organizations.

We must acquire full understanding of [words indistinct], and actually regard the process of organizational measures and registration of party members as a process of conducting reeducation among the majority of party members, and as a process of purifying party organizations and comprehensively attaining the party rectification task.

Comrade Li Changan said: The basic methods of organizational measures and registration of party members are:

1. Penetratingly conducting the ideological work. After entering the state of organizational measures and registration of party members, all units should organize their party members to conscientiously study Circular No 10 of the Central Committee for Guiding Party Rectification; to clearly understand the important significance of the organizational measures and registration of party members and the requirements in this regard; and to straighten out their attitude, clarify their confused ideas, and overcome the possible negative factors, so that every party member will be able to actively participate in the work of this stage.
2. Taking organizational measures. In line with the CPC Central Committee's decision on party rectification and the stipulations of the party Constitution, due disciplinary actions should be taken towards party members who deserve them. [Words indistinct] should be discussed and decided when all members of the party branch meet, and should be submitted to the party organizations at the higher level for approval. As for those party members who deserve organizational measures, their registration for party membership should not be discussed until organizational measures are taken towards them. As for those who have made grave mistakes, but their mistakes have not yet been ascertained and thus conclusion cannot be made for the moment, their registration should not be discussed until their mistakes are ascertained.
3. Individuals should fill out their registration forms for party membership, and their forms should be discussed and approved by a meeting of all members of the party branch. Party members should be educated [words indistinct]. Party members who made grave mistakes during the Great Cultural Revolution had have been disciplined during the current party rectification should faithfully write about their major problems and current state of understanding. In deciding upon the registration of a party member, the party group may offer initial suggestions, and the committee of the party branch may conduct examinations and offer suggestions on whether a party member should be allowed to register, and whether his registration should be postponed or refused. As for the party members who are allowed to register, their registration forms should be submitted to a meeting of all members of the party branch for approval. As for those party members whose registration should be postponed or refused, their registration should be examined, discussed, and decided upon individually by a meeting of all members of the party branch.

Comrade Li Changan said: We must handle affairs according to the pertinent party policies.

The principles and policies of organizational measures and registration of party members have been clearly specified by the CPC Central Committee's decision on party rectification and Circular No 10 issued by the Central Commission for Guiding Party Rectification. We should conscientiously implement them. [Words indistinct] We should guard against the tendencies of lowering standards for party members and deviating from party principles. When taking organizational measures towards party members, we must uphold the principle of being resolute and prudent. For party members who have committed minor errors, the stress should be placed on criticism and education, and they are required to earnestly correct their mistakes. For party members who have made grave mistakes, appropriate disciplinary action should be taken toward them in line with their actual situation. In deciding upon the registration of party members, we must strictly and accurately grasp the standards for party members as stipulated by Article 2 and 3 of the party Constitution. At present, in judging whether a party member is qualified, stress should be placed on his practical behavior since the 3d Plenary Session of the 11th CPC Central Committee. Party members who meet or basically meet the requirements for party membership should be allowed to register. Party members who still basically do not meet the requirements, but who have expressed the determination and have, through their deeds, shown that they are willing to mend their ways and to be tested by the party, may have their registration postponed. Party members whose revolutionary will has waned, who do not honor their obligations as party members, who cannot live up to the requirements for party membership, or who refuse to repent despite repeated help and education should be persuaded to withdraw from the party and should not be allowed to register. With regard to organizational measures and registration of party members, a great event of political life within the party, CPC committees and leading party groups of all units must map out specific arrangements and give meticulous guidance in line with the instructions of the Central Committee for Guiding Party Rectification, and proceeding from the reality of their departments. At present, because much work remains to be done with the end of the year approaching, we should exert even greater efforts to make well-conceived arrangements for party rectification and for the work in various other fields in order to achieve success in both areas. We must guard against the slack mood, the simplified way of doing things, the lowering of party membership requirements, and the perfunctory manner of doing things. Leading comrades at all levels should act in the capacity of ordinary party members, take the lead in participating in organizational measures and in the registration of party members. Party organizations and party-member leading cadres of various units should fully carry forward democracy, and guard against the practices of individuals taking care of everything and a few persons deciding on a matter. Special attention should be paid to preventing the interference of factionalism, taking the opportunity of attacking others, bearing resentment against others, and retaliating against others. We should continue to uphold the principle of conducting rectification and correction simultaneously, penetratingly implement the guidelines of the 3d Plenary Session of the 12th CPC Central Committee, and strive to achieve success in the reform of the entire national economy, focusing on the urban economy, and in various other fields.

Comrade Li Changan said in conclusion: CPC committees and leading party groups of all party rectification units should actually strengthen the leadership, strive to meet the requirements raised by Circular No 10 of the Central Committee for Guiding Party Rectification, and fulfill the task for the stage of organizational measures and registration of party members. Meanwhile, attention should be paid to consolidating and developing the party rectification achievements scored in the previous three states, in order to ensure that every party organization has a new situation in which thinking is united, work style is healthy, discipline is strict, organization is pure, and morale is high, and enable every party organizations to play its role as a fighting bastion in developing the economic structure reform and the four modernizations.

GUANGDONG ISSUES CIRCULAR ON HELPING POOR AREAS

HK031244 Guangzhou Guangdong Provincial Service in Mandarin 0400 GMT 3 Dec 84

[Text] The provincial CPC Committee and the provincial government recently issued a circular, demanding that CPC committees and governments at all levels and all provincial subordinate units must seriously study and understand the spirit of the circular of the CPC Central Committee and the State Council on helping poor areas change their outlook as soon as possible. They should adopt both a positive attitude and feasible measures to help people in these areas be lifted out of poverty, should further improve conditions for production, should enhance production capacity, and should develop commodity production so that these areas can catch up with economic development throughout the province and the whole country.

The circular says: In accordance with the spirit of the document of the central authorities and in light of the actual situation of our province, it has been decided that the poor areas should be divided with a township as a unit and that reservoir fishermen should be divided with a village as a unit. On the basis of the statistical tables in the itemized report presented to the higher level on the income and distribution from the rural cooperative economy in 1983, an area where the per-capital income is less than 120 yuan and the grain ration is under 400 jin will be classified as a poor area. Of both income and grain rations, calculations should be mainly based on income.

The following preferential treatment will be given to a place which is classified as a poor area after examination by a county People's Government and after submission to and with the approval of the provincial People's Government: 1) Beginning in 1985, the agricultural tax will be exempted for 5 years; 2) a newly established township or town enterprise, including a cooperative enterprise jointly run by some commune members and other form of a cooperative industrial or individual enterprise, will be exempted from income tax for 5 years 3) the method of state monopoly for purchase and marketing will be no longer applicable to all agricultural, forest, livestock, sideline, native, and special products, including grain, oil, timber, bamboo, and all medicinal herbs, and will be changed to a method of free purchase and marketing; 4) to solve the reservoir fishermen's problem concerning entertainment, apart from taking a certain amount of income from the generation of electricity, water charges, aquatic products, and forestry in the reservoir areas for this work in accordance with the circular of the central authorities, 1 percent of the charge for each kilowatt-hour of electricity for this work will increase to 2 percent for 5 years beginning in 1985; 5) all charges for production and circulation must be curtailed as far as possible. All unreasonable charges must be resolutely abolished to lighten the burdens of the poor areas; 6) interest-free loans must be issued to some households which lack clothing and bedding and which are in serious difficulties in order for them to buy cloth and mosquito netting.

In conclusion, the circular says: With a view to strengthening leadership over the poor areas, the provincial CPC Committee and the provincial government have decided to establish a provincial poor and mountainous area work leadership group, and all cities, prefectures, and counties must really strengthen leadership in light of their actual situation.

GUANGXI CPC CONGRATULATES PAPER ON ANNIVERSARY

HK040357 Nanning Guangxi Regional Service in Mandarin 1130 GMT 3 Dec 84

[Text] Today marks the 35th anniversary of the publication of GUANGXI RIBAO. The regional CPC Committee has written a letter of congratulations to the newspaper office, saying: In the past 35 years, GUANGXI RIBAO has played an important role in publicizing Marxism-Leninism-Mao Zedong Thought and the party's line, principles, and policies.



They have portrayed the activities of the masses of people in the socialist revolution and construction, and promoted the development of our common cause. During the Cultural Revolution, the newspaper office was so seriously affected by leftist ideas and disturbances that the party's tradition of running a newspaper and its work style were seriously undermined. Since the smashing of the gang of four, particularly since the 3d Plenary Session of the 11th CPC Central Committee, the newspaper has gradually restored its correct political orientation. Following the handling of the problems left over from the Cultural Revolution, the newspaper has further stepped up the publicity on setting things to rights and carrying out reform and has exerted a positive influence in the building of socialist material and spiritual civilization in our region. The regional CPC Committee holds that GUANGXI RIBAO has attained some successes in its work. The regional CPC Committee conveys its sincere greetings to the staff of the newspaper office who have worked hard, and hopes that you will make persistent efforts with the spirit of party rectification and reform and strive to make GUANGXI RIBAO attain a yet higher goal.

In its letter of congratulations, the regional CPC Committee set four demands on GUANGXI RIBAO:

First, adhere to the principle of party spirit and resolutely attain a high degree of ideological and political unanimity with the CPC Central Committee, uphold the party's line, principles, and policies without being divorced from the creative practice of the masses and, in the great cause of bringing about an early upswing in Guangxi, genuinely play an organizing, inspiring, encouraging, criticizing, and promoting role.

Second, do a good job of publicizing party rectification and reform. Vigorous efforts should be made to publicize the elimination of leftism, to negate the Cultural Revolution in a deep-going way, and to increase the combat effectiveness of party organizations and members. At present, it is necessary to attach special importance to publicizing the decision of the 3d Plenary Session of the 12th CPC Central Committee and work hard to promote the sound development of the reform of the economic structure.

Third, adhere to the principle of the whole party and the masses in running the newspaper. In carrying out its publicity work, the newspaper should proceed from reality and realistically report the advanced deeds and rich experiences of the people throughout the region in the economic construction and reform. It is impermissible to exaggerate or to be inconsistent with the facts. At the same time, it is necessary to accurately and selectively criticize and oppose unhealthy tendencies. It is also necessary to do a good job of newspaper distribution.

Fourth, carry forward the fine tradition of the party newspaper and conscientiously carry out press reform. It is necessary to conscientiously implement the party policy toward intellectuals. The working personnel of the newspaper should conscientiously study theories, policies, and knowledge, be proficient in professional work, and become experts. It is necessary to train and build up a number of noted reporters, editors, commentators in a planned way in order to suit the needs of press reform and the economic upswing.

The letter of congratulations said in conclusion: The regional CPC Committee believes that, under the correct guidance of the CPC Central Committee and with the support of the party organizations and the people of all nationalities throughout the region, as long as the whole staff conscientiously sums up their positive and negative experiences in running the newspaper in the past 35 years, works with one heart and one mind, and is bold in blazing new trails, it will certainly be able to run the newspaper more satisfactorily.



4TH NEI MONGGOL REGIONAL CPC CONGRESS CONVENES

## 30 Nov Preparatory Meeting

SK010159 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 30 Nov 84

[Text] The preparatory meeting for the Fourth Nei Monggol Regional CPC Congress was held this afternoon.

Comrade Zhou Hui presided over the meeting and delivered a speech. The meeting elected a 57-member presidium to the fourth regional CPC Congress and Comrade Bu He as secretary general of the congress, and approved a 12-member credentials committee of the fourth regional CPC Congress. The meeting adopted three agenda topics for the congress:

1. Examine, discuss, and adopt the report of the Third Nei Monggol Regional CPC Committee;
2. Examine, discuss, and adopt the work report of the Discipline Inspection Commission of the Nei Monggol Regional CPC Committee; and
3. Elect the Fourth Nei Monggol Regional CPC Committee, the Advisory Commission of the Nei Monggol Regional CPC Committee, and the Discipline Inspection Commission of the Nei Monggol Regional CPC Committee.

The meeting also adopted the report on the examination of delegate credentials to the congress delivered by the credentials committee of the fourth regional CPC Congress.

In his speech, Comrade Zhou Hui pointed out: The 3d Plenary Session of the 12th CPC Central Committee approved the CPC Central Committee's decision on reform of the economic structure. This is another historic decision. We may say that the decision is socialist political and economic science with Chinese characteristics and further demonstrates an orientation for the construction of socialism with Chinese characteristics. The tasks for the congress are emphatically to sum up the work and experience made and gained since the 3d Plenary Session of the 11th CPC Central Committee, to further seek unity of thinking, to better implement the guidelines of the 3d Plenary Session of the 12th CPC Central Committee, to set high goals for the overall reform of the economic structure with a focus on urban areas, to enhance unity among the party and the people of all nationalities in the region, to conduct the four modernizations wholeheartedly and soundly, and to strive to realize the general task and goal of the party and to attain new success in Nei Monggol's socialist modernization.

Comrade Zhou Hui said: The congress assumes a heavy historical task. I hope you will concentrate your energy and be united and cooperate to hold the congress successfully.

## Presidium Holds First Meeting

SK010322 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 30 Nov 84

[Text] The Presidium of the Fourth Nei Monggol Regional CPC Congress held its first meeting this afternoon.

Bu He, secretary general of the congress, presided over the meeting. The meeting elected 15 Standing Committee members of the Presidium of the congress. They are Zhou Hui, Bu He, Qian Fenyong, Batubagen, Shi Guanghua, Cai Ying, Wu En, Li Xiangyi, Tian Congming, Xu Lingren, Kui Bi, Ting Mao, Wang Duo, King Fei, and Shi Shengrong. The meeting elected Wu En, Li Xiangyi, and Tian Congming deputy general secretaries. The meeting also adopted the agenda of the congress and names of executive chairmen of the congress.

## Congress Opens 1 Dec

SK020300 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 1 Dec 94

[Excerpts] The Fourth Nei Monggol Autonomous Regional CPC Congress ceremoniously opened in Hohhot today. The solemn and warm congress hall the was filled with an atmosphere of unity and success. At the center of the platform hung large glittering symbols of an ax and a sickle, which were flanked by five bright red flags on each side. Many potted green pine and cypress tress were placed in front of the platform. At 0830, Bu He, executive chairman of the congress, declared the congress open.

On behalf of the Third Nei Monggol Autonomous Regional CPC Committee, Comrade Zhou Hui gave a report entitled "Resolutely Implement the Guidelines of the 3d Plenary Session of the 12th CPC Central Committee, Speed Up the Pace of Reform, and Strive to Win a New Victory in Socialist Modernization of Nei Monggol."

Comrade Zhou Hui's report was divided into three parts: 1) The great historical change and the work of creating a new situation; 2) carrying out reform in a vigorous and steady manner and by proceeding from reality, and accelerating Nei Monggol's economic construction; and 3) carrying out party rectification continuously and successfully, strengthening the building of leading bodies at all levels, and making them achieve new progress continuously

Other executive chairmen of today were Ting Mao, Zhang Pengtu, Liu Zhuhui, Ma Zhenduo, (Shi Yuhua), (Cui Guoliang), and (Amugurang).

ZHOU HUI ADDRESSES NEI MONGGOL CPC CONGRESS

## Views Economic Status

SK020335 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 1 Dec 84

[Text] At his report to the fourth regional CPC Congress, Comrade Zhou Hui pointed out: Since the 3d Plenary Session of the 11th CPC Central Committee, party organizations at all levels and the masses of party members throughout the region have united with the people of various nationalities and successfully achieved great historical changes on various fronts of the region through a series of work and struggle, and have created an initial new situation in socialist modernization. At present, both the political and the economic situations are in another "best period in history" since the founding of the autonomous region. Major indicators are as follows: We have freed ourselves from the fetters of the long-term leftist errors and dogmatism imposed on our guiding ideology and practical work and, proceeding from the reality of Nei Monggol in doing everything, are turning the ideological line of seeking truth from facts and integrating theory with practice into conscious acts of party organizations at all levels and responsible cadres of the party. The vigorous initiative and creativeness of all fronts and all trades and professions have been or are being aroused. The long period of social disorder has been ended and political stability and unity have been continuously consolidated and developed. In leading the people of various nationalities throughout the region to realize this great historic change, all party organizations have been tested and tempered, have markedly improved in party style through 1 year of comprehensive party rectification in particular, and have restored and developed the party's fine traditions. Party organizations have become purer, party unity has been further strengthened, and party relations with workers, peasants and herdsmen, intellectuals, various democratic parties, and mass organizations and patriotic personages have become closer. The economy of the region has begun to follow the orbit of steady and sound development, new records in major economic targets have been set for many years in succession, and new records will again be set in most of this years's major economic targets. Reform in all fields is being deepened in a well-guided and step-by-step manner.

Comrade Zhou Hui said: It is because of the correct leadership of the CPC Central Committee and the party organizations at all levels of our region, which, proceeding from the reality of Nei Monggol, unswervingly implemented the line, principles, and policies of the CPC Central Committee and united with the cadres and people of various nationalities of the region to work strenuously, that we have achieved such a historical change in a short period of 6 years.

Comrade Zhou Hui pointed out: One of the basic experiences in practice over the past three decades and more and, especially, over the past 6 years, is the necessity to emphasize economic development persistently.

Comrade Zhou Hui said: We have experienced many detours in this aspect and have learned a very profound experience and lesson. After smashing the gang of four, our party summed up the positive and negative experiences gained since the founding of the country in a timely manner and, at the 3d Plenary Session of the 11th CPC Central Committee, resolutely made a strategic policy decision of shifting the work focus of the whole party to socialist modernization. In the short period of a few years, it has enabled the country to achieve an earth-shaking change. Practice has told us that the most important work that party and government leaders should do in order to emphasize economic development in everything is to handle the relationship between economic construction and other work properly when they attend to the work of the whole situation, draw a clear demarcation line between the principal and the subordinate, and make all other work submit to and serve economic development and be tested by it. As a border region of minority nationalities, Nei Monggol should carry out economic construction successfully because this has an important significance in strengthening unity among various nationalities, in promoting their common prosperity, in consolidating and developing new social relations among nationalities, in strengthening border defense, and in supporting the country's modernization drive. Therefore, we should always concentrate on economic construction and continuously promote the region's modernization.

#### Unity of Nationalities

SK030400 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 2 Dec 84

[Text] Regarding the safeguarding and strengthening of unity in all fields and especially unity between the people of all nationalities as an important event and attending to work on unity is another basic experience emphatically expounded by Zhou Hui at the Fourth Regional CPC Congress.

He said: Located in the border areas of the motherland, Nei Monggol is a region with many nationalities where the Monggol nationality exercises regional national autonomy and the Han nationality is in the majority with other minority nationalities. Ceaselessly safeguarding and strengthening unity in all fields and unity between the people of all nationalities is of outstanding and important significance as well as an important guarantee for smooth progress in economic and cultural construction.

Since the 3d Plenum of the 11th CPC Central Committee, the regional CPC Committee and party organizations at all levels have conscientiously implemented the principle of uniting as one and looking forward, and have done a lot of solid work under the central authority's important directives on Nei Monggol's work.

First, they corrected the guiding ideology for work with nationalities and correctly implemented the party's policy on nationalities. They centered work with nationalities on economic and cultural development and on the safeguarding and strengthening of unity between people of all nationalities.



Second, proceeding from the region's actual conditions, they conscientiously summed up both positive and negative experience gained over the past 30 years in the work with nationalities and the work of strengthening unity between people of all nationalities, and set forth a principle of not handling work with nationalities in a hasty, simple, and overlenient manner, so that a general principle that may prevent and eliminate the leftist and rightist obstacles in handling the problems between people of different nationalities has been created.

Third, they widely and deeply conducted education on the Marxist theory of nationalities and the party's principle concerning nationalities, disseminated the idea that people of all nationalities are inseparable from one another, and launched a commendation campaign for unity between people of all nationalities across the region.

Fourth, they especially enhanced unity between cadres of different nationalities and, first of all, unity between leading cadres.

Over the past years, the regional CPC Committee and league and city CPC committees regarded the strengthening of unity as a key content of their heart-to-heart talks. We urged cadres of all nationalities across the region, whether of the Han nationality or of minority nationalities and whether leading cadres or general cadres, to understand the Marxist theory of nationality and the party's policy towards the nationalities and to have political awareness and ideological understanding of safeguarding and strengthening unity between people of all nationalities.

Practice has proven: The above-mentioned work is correct and efficient. Unity in all fields and between cadres and people of different nationalities is gradually enhanced. This was a condition of great importance for the rapid development of all undertakings over the past few years.

#### Discusses Economic Reform

SK030434 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 2 Dec 84

[Text] At his report to the Fourth Regional CPC Congress, Comrade Zhou Hui pointed out: The key to fulfilling the general fighting goal of the region lies in restructuring the national economy as a whole, with a focus on the urban economy. At present, we should first conscientiously study the CPC Central Committee's decision on reform of the economic structure and assimilate the guidelines of the document. We must thoroughly understand the necessity and urgency of the current restructuring of the national economy as a whole, focusing on the urban economy, the fundamental tasks and requirements of the reform, and various basic policies. We should make ceaseless efforts to eliminate long-standing rigid economic systems and the influence of traditional ideas, and clarify our confused understanding of socialism. We should further emancipate the minds of the people of the whole party and enhance their understanding of Marxist theory. In order to successfully carry out the reform of the national structure with emphasis on the urban economy, we should persistently proceed from the reality of Nei Monggol. Positive and negative experiences over the past three decades and more told us that indiscriminate copying of the measures of the hinterland will not work in accomplishing modernization in Nei Monggol. Instead, we should conscientiously study and comprehensively and accurately understand the guidelines of the CPS Central Committee, and then clearly understand the characteristics of Nei Monggol. We should organically combine the guidelines of the CPC Central Committees and the actual conditions of Nei Monggol, and then define the guiding ideology and guiding principles for Nei Monggol's economic reform and economic construction on the basis of the objective reality of Nei Monggol's society, nature, and economic development so that reform in various fields and economic construction can develop healthily. In order to restructure the economy successfully, we should take active but prudent steps as stated in the CPC Central Committee's decision.



Urban reform is more complicated and difficult than that in rural and pastoral areas. As we are inexperienced and have no ready answers, we should have more courage and a confident exploring spirit in carrying out this unprecedented reform. We should combine our enthusiasm for reform with scientific approach, adhere to the principle of practice, knowledge, more practice, and more knowledge; feel our way forward in practice; and accumulate experience on our road of advance. Only in this way can we become more capable of reform and our road of reform become wider.

#### Notes Recent Progress

SK030501 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 2 Dec 84

[Text] In his report to the Fourth Regional CPC Congress, Comrade Zhou Hui touched on the region's basic experience in the past 30 years and more, particularly in the recent 6 years. He stressed: We should persist in proceeding from the actual situation of Nei Monggol while doing everything. He said: Through years of practice and since we began party rectification, a fundamental conception of Nei Monggol has been achieved. We have deeply understood that whether we can proceed from the actual situation of Nei Monggol while doing everything directly affects the realization of the party's general tasks and target as well as the tempo and success of the regional political and economic construction and the development of various undertakings. While reviewing the history of the regional political and economic development since the founding of the region 37 years ago, we can conclude its best period as follows: The 10 years during the early period of the founding of the region and the 6 years after the 3d Plenary Session of the 11th CPC Central Committee. The common and fundamental reason for this is that our guiding ideology and principles conform with the actual situation in Nei Monggol. Take our pastoral work, for example. We can summarize our guiding principles in the past 10 years from 1947 to 1957 as follows: First, during the national reform period, we implemented the principle of three transitions and two establishments [san du liang li] and second, during the period of mutual aid and cooperation, we implemented steady, lenient, and long-term principles. As a result, herdsmen of various nationalities carried out production on the basis of equality and unity, and the number of livestock increased by more than 100 percent. The livelihood of herdsmen improved remarkably. During the 10 years of internal disorder, however, the principle of three transition and two establishments and the steady, lenient, and long-term principles were criticized politically. They were replaced by the practice of drawing new distinctions between classes, moving border residents to the inland areas, and digging up the New Nei Monggol People's Revolutionary Party. The practice of forbidding arbitrary reclamation of land in order to protect pastoral farms was criticized economically. The responsibility systems of two fixed production quotas and one bonus and of three fixed production quotas and one bonus and the policy of keeping livestock for personal needs were criticized. They were replaced by the practice of reclaiming pastoral land for grain cultivation and of repudiating capitalist factors. As a result, unity was disrupted, the number of livestock decreased drastically, and the livelihood of herdsmen was in dire straits. Some daily necessities such as grass and rice were hard to guarantee.

In the 5 years of our pastoral work, from the 3d Plenary Session of the 11th CPC Central Committee to 1983, first we removed the designations from grassroots cadres and herdsmen who were classified as herd owners, hired herdsmen, persons of the New Nei Monggol People's Revolutionary Party, and national splittist elements, during the Cultural Revolution period and tried our utmost to solve their practical problems in production and livelihood. Second, we eased the restrictions of a series of economic policies including the policy of keeping livestock for personal needs. Third, we defined the economic principle of taking animal husbandry and forestry as the main tasks while diversifying the economy.

Fourth, we gradually implemented the responsibility systems of contracting out livestock to herdsmen households, selling livestock to herdsmen at reasonable prices, giving livestock to herdsmen free of charge, and contracting out grassland to herdsmen households thus integrating herdsmen, livestock, grass, responsibilities, rights, and profits. In the past 5 years, the number of livestock slaughtered and the number of livestock sold as commodities increased respectively by 39.6 percent and 69.7 percent. The output value of animal husbandry and the output of beef, mutton, and wool increased respectively by 31 percent, 47 percent, and 61 percent. The proportions of basic female animals, draft animals, and livestock of improved strains increased generally, and the number of livestock also increased. This was another best period in the history of Nei Monggol. Facts show that to accelerate the tempo of Nei Monggol's political and economic construction and to achieve greater success, we must persist in the principle of proceeding from the actual situation of Nei Monggol while doing everything.

#### Sets Economic Strategy

SK030613 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 2 Dec 84

[Text] In his report to the fourth regional CPC Congress, Comrade Zhou Hui put forward the general strategic ideology and fighting goal for the region's economic development in the coming years.

He said: The general strategic ideology for the region's economic development in the coming years is to fully exploit the favorable conditions in the natural resources and to comprehensively develop them in the course of carrying out reform, and upholding the principle of opening to the world and enlivening the domestic economy. In line with this strategic ideology, the region's economic construction should be focused on continuous planting of trees and grass, restoration of ecological balance and vigorous development of commodity production in rural and pastoral areas, on the basis of developing diversified undertakings centering on forestry and animal husbandry. In the economic construction, we should promote the technical progress, and continue to raise the economic results, on the basis of tapping potential of the existing enterprises, renovating and transforming the existing enterprises, and with the focus on the development of communications, energy resources and talented people. We should strengthen our contacts with other provinces and regions, import advanced foreign and domestic technologies, vigorously develop the tertiary industry, and gradually bring the relations between various economic sectors into better balance. We should also make all enterprises full of vitality subjected not only to the unified state plan but also to be able to exploit their favorable conditions, give full scope to their strong points, avoid their weaknesses, and ensure the diversification, flexibility, and accuracy of their production and management so as to enable the regional economic construction to develop steadily and rapidly and to consistently satisfy the people's demands on material and cultural livelihood.

The general fighting goal of our region is to quadruple the 1980 gross industrial and agricultural output value by the end of this century, on the condition that economic results are steadily improved, and the people really benefit from them, and strive to exceed this target. Before 1990, emphasis should be placed on laying a foundation, but efforts must be made to rapidly develop the economy. To this end, priority should be given to the work in the first 3 years, and efforts should be made to double the 1978 regional gross industrial and agricultural output value by 1987 -- the 40th anniversary of the founding of the region.

To attain this goal, we should attend to the following several tasks before the 40th anniversary of the founding of the region: Installing electric power lines in most banners where there aren't any; making all accessible to nomadic tribes; postal communication basically linking all nomadic tribes with telephones; utilizing wind power and solar energy to electrify 70 percent of the households in pastoral areas;

Completing the project of partially expanding and renovating the Baotou iron and steel plant, the drainage works in the Hetao irrigation area, the expansion and the precision processing project of the Baotou aluminum plant, the first stage of the Hohhot City gas supply project, and the projects of building the regional color television center and the main microwave circuits; striving to complete the first stage of the Baotou City gas supply project and the centralized heat supply for Hohhot, Baotou, Chifeng, and Tongliao Cities; accelerating the building of the existing open-cut mines, the Yuanbaoshan power plant, the Tongliao power plant, and the (Hanyaokou) iron pyrites; and striving to begin the construction of the Jungar mine, the Xilin Gol League oil field, the Eren oil refinery, the Horqin right wing middle banner power plant, the Fengzhen power plant, the Qahar right wing rear banner cement plant and the Naiman banner cement plant. If we attend to the abovementioned tasks, we will make a relatively big development in our region's production, and greatly improve the people's material and cultural livelihood.

#### Stresses Strong Leadership

SK040227 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 3 Dec 84

[Text] In his report to the fourth regional CPC Congress, Comrade Zhou Hui stressed: The leading bodies at all levels should improve themselves in the course of party rectification. He said: Leagues, cities, banners, counties, and industrial and mining enterprises will begin party rectification one after another next year. The fundamental purpose of our party rectification is to raise the ideological level and working efficiency of the whole party, build closer relations between the party and the people, and strive to build the party into a strong core capable of leading the socialist modernization cause. The key to achieving this purpose lies in strengthening and improving leading bodies at all levels. We should note that through institutional reform the majority of our regional party's leading bodies at all levels are imbued with vitality and have the spirit of creating a new situation. However, we should also note that the economic, technical, and educational levels; leadership; managerial skills; ideology; and work style of some new leading bodies, particularly their reform and transformation work and courage to blaze new trails still fall short of what is required of the new tasks. We of course need the support, and supervision of the leaders and the masses to improve such a situation. Most essential, however, is strengthening and improving leading bodies. On the one hand, we should continue to organizationally readjust the leading bodies at all levels in accordance with the requirements for cadres, attend to building the third echelon, and continue to select outstanding middle-aged and young intellectuals to leading bodies to assume difficult tasks. On the other hand, leading bodies at all levels should strengthen their ideology and professional work in line with the demands of the new situation and strive to become as soon as possible a strong core of leadership capable of conducting cooperation in unity and blazing new trails.

In this regard, Comrade Zhou Hui put forward in his report four specific demands of the leading bodies at all levels: Study painstakingly and continue to improve political ideology and professional efficiency; conduct investigation and research deeply into reality; strive to gain initiative in their leadership work; be firm, dare to tackle difficult cases; and carry out their work successfully; unite to conduct cooperation, have a good grip of the whole situation; and continue to advance all fields of work.

#### Outlines Reform Measures

SK040451 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 3 Dec 84

[Text] In his report to the fourth regional CPC Congress, Comrade Zhou Hui pointed out: In our efforts to accelerate reform of the economic structure as a whole, with focus on the urban economy, and the modernization drive, we should, first of all, make a success of the work in the following eight fields:



1. We should continue the economic reform in rural and pastoral areas and greatly expand commodity production. At present, we should go all out to develop in particular the food industry, forage grass and fodder industry, and processing of other farm, forestry, and animal products. We should also develop township mining, service, and transportation enterprises. We should speed up the construction of small cities and allow them to carry into full play their key roles in commodity production and circulation in rural and pastoral areas. Special policies and measures should be adopted to support and lead border pastoral areas, mountainous areas, old revolutionary base areas, and poverty-stricken and backward areas to invigorate commodity production and change their outlook as soon as possible.
2. We should simplify government administration, delegate power to lower levels, and institute the contract system to invigorate enterprises. We should change the situation in which enterprises eat from that of enterprises, give full play to the initiative of enterprises and the masses of workers and staff members, and energize enterprises.
3. We should actively promote technical progress. Based on our actual capacity, from now on we should follow the principle of using less investment and shorter construction periods and achieving quicker and better results to revamp and renew the equipment of enterprises in a planned manner, with emphasis on key projects. We should evaluate the existing enterprises and give priority to the few large and medium-sized enterprises with better economic results.
4. We should further open to the outside world. We should continue the elimination of the leftist influence, learn from the experiences of foreign countries and advanced areas, further emancipate our minds, and broaden our horizons, and get rid of the ideas of acting as emperors behind closed doors and of being afraid of suffering losses. We should break with conventional ideas, widely open our door for multifaceted cooperation with other provinces and countries, and turn the closed-door economy into an open, exploitative economy.
5. We should boldly develop collectively and individually owned enterprises in urban and rural areas.
6. We should greatly expand communications and transportation undertakings.
7. We should pay close attention to development of resources and the early-type preparations for key construction projects.
8. We should reform the system of management of talented people, and accelerate intellectual development. The most important thing in our endeavor to reform the economic structure, with the focus on the urban economy, and achieve modernization is respect for knowledge and talented people, use of the people of the new generation, and attention to intellectual development. In the course of the reform, leading persons at all levels should extensively look for and boldly use a knowledgeable and able group of competent people devoted to the party's cause and capable of opening up a new situation, and put them in important positions. In particular, we should build a grand contingent of cadres specialized in socialist economic management. This is a strategic measure for revitalizing our region's economy.

Comrade Zhou Hui stressed: We should further emancipate our minds, broaden our horizons, and should have a freer hand in dealing with educational, scientific, and technological developments and the training of talented people. This is a matter of fundamental importance.



## Reviews Rectification

SK040543 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 3 Dec 84

[Text] At the fourth regional CPC Congress, Comrade Zhou Hui reviewed the work by the first group of party rectification units in the region, and affirmed the achievements and experiences in this regard. He said: A year has passed since the regional-level organs started their party rectification work in December 1983 in line with the arrangements of the CPC Central Committee. Over the past year, they have persistently integrated the guidelines of the CPC Central Committee with the reality of the region, and have studied documents, conducted rectification and correction, and summed up experiences simultaneously. In each stage of party rectification, they have conscientiously studied documents, made meticulous arrangements, and given specific guidance. Quite a few units, proceeding from their reality, have creatively implemented the CPC Central Committee's decision on party rectification, have made efforts to attain all party rectification tasks, have acquired relatively satisfactory experiences, and have begun to yield practical results. Major indicators are: The leftist influence has been further eliminated, the professional guiding ideology has been straightened out, the reform and economic construction have been promoted, and the party style has been improved remarkably. Meanwhile, they have basically checked those unhealthy trends with which the masses were most concerned and about which the masses most complained, such as the serious malpractices in distribution of residences to workers and staff members, in securing advantages for one's children in attending school and employment, in changing worker status to cadre status, in changing rural residence registration to urban residence registration, and in going through the back door to obtain scarce commodities and materials. Quite a few localities and units where the party rectification has not yet begun have adhered to making correction before rectification, thus yielding remarkable results. Overall, our region's party rectification has developed soundly, steadily, and successfully.

Comrade Zhou Hui said: During the period when the first group of party rectification units conduct party rectification, the regional CPC Committee has strengthened the leadership over the leading bodies of the organs subordinate to the regional CPC Committee and the regional People's Government, in the course of strengthening the leadership over the party rectification work of various other units. Through 1 year of party rectification, various party rectification units have begun to yield substantial results in terms of unifying the thinking, straightening out the style of work, intensifying discipline and purifying organizations. This has not only vigorously promoted the economic structure reform and the opening to the outside world, but also offered experiences for achieving success in party rectification and attaining all party rectification tasks in the coming 2 years.

HEILONGJIANG CPPCC ENLARGED SESSION ENDS 3 DEC

SK040524 Harbin Heilongjiang Provincial Service in Mandarin 2200 GMT 3 Dec 84

[Excerpts] The ninth enlarged Standing Committee session of the fifth provincial CPPCC Committee concluded on 3 December, emphatically urging CPPCC committees at all levels to regard as their most important task at present the program of deeply studying the decision adopted by the CPC Central Committee in regard to conducting reforms among economic systems and to do a good job in earnestly grasping the task. Efforts should be made to actively carry out political consultation in line with the program of conducting reforms among economic systems; to encourage the free airing of views; to draw on collective wisdom and absorb all useful ideas; and to suggest ways and means to serve the program of conducting reforms among economic systems and enforce the open-door policy.

During the 6-day session, participants concentrated on learning the decision adopted by the CPC Central Committee on conducting reforms among economic systems and the speeches given by leading comrades of the central authorities. The session relayed the spirit of the Seventh Session of the Sixth National CPPCC Committee and various resolutions adopted at the session.

During the session, Chen Lei, deputy secretary of the provincial CPC Committee and governor of the province, delivered a speech on relaying the spirit of the fourth enlarged Standing Committee session of the fifth provincial CPC Committee, on earnestly implementing the spirit of the session, and on accelerating the pace of conducting reforms as a central task.

In concluding the session, Li Jianbai, chairman of the provincial CPPCC Committee, made a summing-up speech. Attending the session were vice chairmen of the provincial CPPCC Committee, including Bao Cong, Wang Mingguai, Yang Zirong, Tan Liandi, Wang Weizhi, Guo Shouchang, Li Min, Huang Dexin, Fu Shiyang, and Ma Xinquan; Wang Yilun, former chairman of the provincial CPPCC Committee; Jin Langbai, former vice chairman of the provincial CPPCC Committee; and responsible comrades of the departments concerned.

In order to meet the needs of the new situation prevailing in transformation and to bring into full play the strong point of the CPPCC committees that are full of talented personnel, the session adopted a resolution on establishing a work committee for reunification of the motherland and an advisory service committee and a resolution on dividing the current scientific and technological group into the three groups of agriculture, forestry, and science and technology, and on changing the existing economic construction group into an urban reform group.

WANG ENMAO NOTES SLOW PRODUCTION RATE IN XINJIANG

HK040527 Beijing CHINA DAILY in English 4 Dec 84 p 3

[By staff reporter Ma Jisen]

[Text] Urumqi -- Party Secretary Wang Enmao said prospects for economic and social development in Xinjiang Uygur Autonomous Region look promising, but he warned of possible problems in the slowing growth rate of industrial production when he addressed the plenary session of the Party Committee of the region.

Held from November 20 to 27, the session focused on how to continue to implement the decision on economic reform made by the Central Committee of the Chinese Communist Party.

Wang pointed out that the decision by the Central Committee provided a blueprint for the reform. He emphasized that the reform must be combined with current production.

By the end of October, he said, industrial production value in the region had reached 4.6 billion yuan, an increase of 10.28 percent over the same period of last year.

This is the seventh consecutive year that Xinjiang has reaped bumper harvests in both agriculture and animal husbandry, Wang said. It is expected that grain production will reach 9.6 billion jin, 7 percent up on last year; cotton 3.7 million dan and sugar beet 12.78 million dan, 17.8 percent and 27.3 percent up on last year respectively.

Industrial enterprises have also seen improved economic results. The production value of enterprises run by the region achieved an increase of 9.3 percent over that of 1983; their profit rose 21.5 percent and the profit they handed over to the State increased 23.7 percent.

Capital construction, transport and communication, foreign trade as well as retail sales are expected to fulfill or over-fulfill the planned targets, Wang said.

The Party Secretary, however, sounded a warning by pointing out that the increased rate of industrial production is lower than that of last year and lower than the average level of the country.

It is essential to achieve a steady increase, he said, and noted that there is only one month left this year to meet targets. He called on those present to concentrate their efforts on fulfilling and overfulfilling the State plan, to further consolidate the good situation in the region as regards national unity, defence of the border and improvement of the people's livelihood.

Wang emphasized that reform of the urban economy is complicated and must be done carefully to ensure a reliable and lasting implementation.

JOINT ECONOMIC CONFERENCE WITH U.S. BEGINS

## Yu on 'Solid' Friendship

OW031039 Taipei CNA in English 0932 GMT 3 Dec 84

[Text] Taipei, Dec. 3 (CNA) -- The friendship between the peoples of the Republic of China and the United States will continue to increase as both Chinese and Americans have a common belief, Premier Yu Kuo-hwa said Sunday. Speaking at a reception he gave in honor of more than 1,000 guests, including over 460 American Government and business leaders, at the Grand Hotel, Premier Yu said this common belief is shared in the maintenance of freedom, justice and human dignity.

This friendship has laid out a solid foundation for the economic cooperation between business leaders of the two countries and it will continue in the future, he said.

The premier lauded the achievement of the USA-ROC Economic Council and the ROC-USA Economic Council in their efforts to strengthen the economic and trade ties between the two countries, especially after Washington switched its recognition from Taipei to Peiping in 1979. Because of these efforts, Yu said, the two-way trade between the ROC and the United States continued to grow despite the 1981-82 economic recession.

The year 1984, he added, is especially significant for both countries as both China and the U.S. marked the 200th year of commercial ties.

Attending the reception Sunday night included several U.S. senators and governors, Vice Premier Lin Yang-kang, Foreign Minister Chu Fu-sung, Minister Without Portfolio K.T. Li, and Economic Affairs Minister Hsu Li-teh.

The 8th joint conference of the two councils started Monday afternoon with more than 1,000 government and business leaders from the two countries attending. C.F. Koo, chairman of the Chinese Council, said this will be the largest gathering ever since the first such meeting was held in the United States eight years ago.

## Stronger Trade Ties Urged

OW040315 Taipei CNA in English 0235 GMT 4 Dec 84

[Text] Taipei, Dec. 3 (CNA) -- Gov. Richard F. Celeste of the State of Ohio, the United States, urged Monday stronger trade ties with this country, and said that direct trade between his state and the Republic of China "is brisk."

Speaking at a session of the Eighth Joint Conference of ROC-U.S.A. and U.S.A.-ROC Economic Councils at Taipei's Grand Hotel, the Ohio governor said that the value of Ohio goods exported to the ROC rose from U.S. dollar 71.7 million in 1982 to U.S. dollar 122.8 million in 1983, "an impressive 58 percent increase." He declared the ROC is one of Ohio's most regular customers! In September of this year alone, your "buy America's mission purchases U.S. dollar 15.3 million worth of industrial goods and U.S. dollar 50.4 million from Ohio."

Gov. Celeste stressed "Ohio is the only American state visited by your procurement missions in each of last seven years," purchasing more than U.S. dollar 500 million worth of Ohio products.

The 40-member Ohio mission to the conference is the largest of any U.S. contingent at the current meeting.



He called on Chinese entrepreneurs and industrialists to make investments in Ohio, where, he said, there are abundant industrial fuel, water, resources, high-quality tools, machinery industries, electronic components, generators, chemicals, and telecommunications. "I know that many Ohio-based businesses already maintain offices in Taiwan -- Goodyear, Dana Corp., NCR (National Cash Register), Diamond Shamrock, and U.S. Shoe -- to name just a few," he said. He pointed out he was pleased to learn that this country has been stepping up efforts to discourage the manufacture of counterfeit products, and the legislation imposing penalties for the pirate goods has been passed.

The Ohio Governor lauded the ROC Government's efforts in lowering trade barriers for U.S. products, and reducing import tariffs on 59 items. "They demonstrate the good faith that is necessary for the long-term health of our trade relations." He said that both the ROC and the United States "occupy strategic economic positions in the developmental picture for the Pacific basin," and the ROC "itself is not only a door to the basin, but a gateway to prosperity for it."

Earlier in the day, Gov. Toney Anaya of the State of New Mexico said that his state and the ROC have many things in common in the fields of culture and trade. "We both support the idea that the family is the hardcore of society, and we pursue peace, and the spirit of free enterprise."

Gov. George R. Ariyoshi of the State of Hawaii called for greater expansion of the nation's procurement of American goods to further narrow down the trade imbalance between the two countries.

The ROC U.S. bilateral trade in the January-October period this year hit U.S. dollar 21 billion, giving this country a profit of U.S. dollar 8.44 billion. The 1983 trade was worth U.S. dollar 15.9 billion, resulting in a surplus of U.S. dollar 6.6 billion in favor of the ROC.

#### U.S. Policy Unchanged

OW040311 Taipei CNA in English 0231 GMT 4 Dec 84

[Text] Taipei, Dec. 3 (CNA) -- U.S. Senator Frank Murkowski from the State of Alaska said Monday that there will be no change in the U.S. policy toward the Republic of China. The U.S. Government is deeply concerned over the security of people in the ROC, he assured.

Senator Murkowski made the remarks while addressing the opening ceremony of the Eighth Joint Conference of the ROC-U.S. and U.S.-ROC Economic Councils in Taipei Monday.

Although the U.S. authorities are improving the relations with Communist China, the move will not be at the price of the long relationship with the ROC, he stressed. Many American senators are friends of the Chinese people in Taiwan. They are deeply concerned about the ROC's security and support the ROC's right to protect itself, he said.

However, he also expressed concern about the growing U.S. trade deficit with the ROC and urged more Chinese efforts to improve the situation to avoid further over-reaction from the American people and the government.

He also asked for the closer cooperation not only between the two governments but also private organizations of the two nations to help reduce the trade gap.

GU MU ATTENDS ECONOMIC MEETING IN FUZHOU

HK040131 Hong Kong WEN WEI PO in Chinese 4 Dec 84 p 1

[Dispatch from correspondent Kuang Yu: "Gu Mu Comes South to Fuzhou To Preside Over Guangdong and Fujian Meeting To Study Ways of Further Opening Up to the World"]

[Text] Fuzhou, 3 Dec -- A conference of Guangdong and Fujian Provinces, presided over by CPC Central Committee Secretariat member and State Councillor Gu Mu, opened in the Wenquan guesthouse this morning. The main purposes of the meeting are to sum up the new situation that has arisen in the implementation of special policies and flexible measures by Guangdong and Fujian in the past 5 years, study ways by which the two provinces can further open up to the world and enliven the domestic economy in the new situation, and consider how they can still more play a role in climbing one story higher in the whole country.

Guangdong and Fujian have achieved relatively great success since implementing the central authorities' open-door policy in 1979. They have accumulated some experience for economic reforms in the whole country and provided practical experiences for the 14 open coastal cities. Hence, while the whole country is tackling urban reforms and opening up to the world, the new tasks advanced in order to make external economic dealings still more lively, under the premise of all-round summation of experiences, specifically mean the possession of still more decisionmaking powers, including in external sales of industrial and agricultural products and in finances, and so on. The meeting is being attended by representatives from the State Planning Commission, the Ministry of Foreign Economic Relations and Trade, the Special Zones Office of the State Council, and Guangdong Provincial CPC Committee Secretary Wu Nansheng, Vice Governor Yang Deyuan, and Fujian Provincial CPC Committee Secretary Ma Xingyuan, Vice Governors Zhang Yi and Wang Yishi. They will put forward various schemes at the meeting to provide the orientation and specific methods for future development.

HU'S WIFE MAKES 'SECRET' VISIT TO HONG KONG

HK031007 Hong Kong CHENG MING in Chinese No 86, 1 Dec 84 p 10

[Article by Lo Ping: "Hu Yaobang's Wife's Secret Visit to Hong Kong"]

[Text] On 25 October, the wife of a political superstar in Zhongnanhai left for Hong Kong. She stayed there for 10 days with a full itinerary of visits and left on 3 November. During this period, few people in Hong Kong knew this. After the lady finished her visit, a Hong Kong journalist heard something about this and became an informed source among his colleagues. This "mysterious" lady was Li Zhao, who is Hu Yaobang's wife.

In fact, what was mysterious was not Li Zhao but her travel to Hong Kong. During her 10-day stay in Hong Kong, she visited the Everbright Company, the Yutai knitting mill, XINHUA NEWS AGENCY, the Kaida toy plant, China Resources Company, the Ruixing department store, the Baofade toy plant, the Caidehe garment factory, the Dongji department store, and Shao's movie studio; toured the Peak, Discovery Bay on Lantau, Ocean Park, the Song Village in the Liyuen recreation ground; and had a boat tour of the harbor. People and units that gave dinners for her included Wang Guangying, Tang Xiangqian, Li Jiacheng, the XINHUA NEWS AGENCY, Cha Jiguo, China Resources Company, Bao Yuxing, Cai Dehe, Yu Yuanping, Shao Yifu, and Qiu Degen. People who met her included such celebrities as Li Chuwen, Zhang Xuerao, Ji Jianghui, Jiang Wengui, Yuan Geng, Qiao Zonghuai, Geng Yan (daughter of Geng Biao), and Bao Yugang, Huo Yingdong, Wang Kuancheng, Wang Mingyuan, An Zijie, Ding Heshou, Mrs Li Mingze, Ni Shaojie, and Huang Zhiheng. Why were the mass media still kept in the dark even when Mrs Hu made such extensive contacts in Hong Kong?

The answer is: Perfect arrangements were made to keep Mrs Hu's visit completely secret. It is said that the Hong Kong Government was also informed of her visit and was obliged to keep silent. So no information leaked out to the SOUTH CHINA MORNING POST.

Why should the visit be kept so secret?

Reportedly, Hu Yaobang and Mrs Hu did not want the trip to be showy. As a result, the impression left upon rich and influential figures in Hong Kong is that Li Zhao is simple and unadorned and is amiable and easy to approach. A billionaire once told one of my friends in Hong Kong: "Before meeting Mrs Hu, I guessed that she might lack the graces because I knew that she was a deputy chief of the Beijing Municipal Textile Industrial Department before she retired. But the meeting proved that my assumption was dead wrong. Mrs Hu turned out to be elegant and refined in manner and to be easy and proper in conversation, looking like a well educated lady."

Li Zhao did not come to Hong Kong alone. She came in the capacity of head of the "study group of the children's toy association of Beijing Municipality" and as a "senior adviser" to this association. The 6-member study group included five women and one man, who are respectively chairman, vice chairman, secretary general, vice secretary general, and managing director of the association. The deputy head of the study group was Song Ding, who also has powerful backing, because she is the wife of the current president of the Supreme People's Court.

Just as its name implied, the group came to Hong Kong mainly for the purpose of studying the toy industry and relevant industries in Hong Kong. In its itinerary, the group visited two toy factories and two department stores. However, the namelist of people who Li Zhao contacted in Hong Kong shows that the purpose of her visit could not be as simple as claimed.

-- Did they try to raise funds for building the proposed 13-hectare "toy city" in the "Song Qingling Childrens Park" in Beijing?

-- Did they take this opportunity to broaden their visions and inspect a capitalist society?

-- As Li Zhao's visit was arranged by the Everbright Company, did this company try to build up its own reputation?

-- When visiting Beijing, most Hong Kong people have been received by Ji Pengfei, and some by Deng Xiaoping. But few people from Hong Kong have shaken hands with Hu Yaobang, who is now denounced by some powerful conservatives in private as a "person who is keen on having a hand in everything." Did he try to make "first-hand" contacts with people in Hong Kong through Li Zhao's visit?

When I posed all the above questions to a cadre in the know, he deliberately switched to another topic: "Before Li Zhao left Hong Kong, the wife of the Hong Kong governor gave a luncheon in her honor. This shows that Sino-British (or Hong Kong) relations are better than ever before."

I did not give up and repeated my questions, but he once again changed the topic: "A report from internal channels said that the Hong Kong Government will soon publish its White Paper on representative government. The authorities here (referring to Beijing) have told the propaganda units in Hong Kong not to recklessly comment on the White Paper. This shows that Sino-British relations are not bad, and also shows that China is willing to abide by the spirit of the Sino-British joint agreement in order to allay people's suspicions that China will meddle in the administration of Hong Kong during the transition period. In addition, this also indicates that our propaganda work in Hong Kong in the previous period had some shortcomings, which were mainly excessive scolding of other people. So we should now know how to exercise self-discipline."

I smiled and reminded him: "There is no need to teach me a lesson. I am not a reporter from a leftist newspaper."

UMELCO STATEMENT ON FUTURE OF HONG KONG

HK030517 Hong Kong SOUTH CHINA MORNING POST in English 3 Dec 84 p 2

["Statement Issued on Thursday by Umelco on 'The Future of Hong Kong'"]

[Text] Unofficial members of the Executive Council and the Legislative Council (Umelco) have always been aware of the concern of the people of Hong Kong about their future, and on the arrival of the governor in May 1982, the senior member stressed publicly the importance and urgency to the people of Hong Kong of the satisfactory resolution of this issue.

Since the Sino-British talks on the future of Hong Kong began in late 1982, Umelco have received many representations about Hong Kong's future up to and beyond 1997.

Before the debates took place in the two houses of the British Parliament in May this year, Umelco sent a delegation to London and issued a statement to reflect the anxieties and wishes of the people of Hong Kong: there they listed, inter alia, the four most important criteria by which the acceptability of the Sino-British agreement to the people of Hong Kong would be judged.

Briefly, these are, first, that the agreement must contain full details of the proposed administrative, legal, social and economic systems applicable in Hong Kong after 1997; second, that it must state that the provisions of the basic law will incorporate the relevant provisions of the agreement; third, that it must provide adequate and workable assurances that the terms of the agreement will be honoured; and fourth, that the rights of Hong Kong British nationals must be safeguarded.

Following its publication, Umelco received a large number of representations from a wide cross-section of the community expressing their support. the SOUTH CHINA MORNING POST commissioned an independent research firm to conduct a survey, which showed that 83 percent of the community approved fully or in part the statement. In addition, about 70 percent of the elected and appointed Unofficial members of the 18 district boards gave their support.

Three Unofficial members went to Peking in June this year and reflected to the Chinese leaders, including Chairman Deng, the anxieties and wishes of the people of Hong Kong. They also made three major proposals to the Chinese leaders, proposals which they considered would help to enhance the confidence of the people of Hong Kong about their future.

These three major proposals were first, that the Sino-British agreement must be detailed and binding and the basic law must be based on the agreement; second, that the people of Hong Kong should participate in the drafting of the basic law and those sections relating to Hong Kong's internal affairs should be drafted in the territory, and not amended except at the initiation of Hong Kong; and third, that a committee of Chinese people of international standing should be appointed by China to monitor and advise on the drafting, implementation and subsequent amendments to the basic law.

Their trip to Peking also received overwhelming support from the public. A second poll taken by the same independent research firm showed that eight out of 10 people agreed with the Umelco visit to Peking, 74 percent supported the first, 78 percent the second, and 61 percent the third major proposal.



Since the publication on September 26 this year, all the Unofficial members, with the exception of two members in the Legislative Council, have endorsed and commended the draft agreement to the people of Hong Kong.

The draft agreement or joint declaration, in their view, does meet substantially the four basic criteria contained in the Umelco statement made in London in May. Furthermore, there are in the joint declaration many positive features which are to be welcomed and it contains much more detail than many people originally expected. It is a mutually binding agreement, freely negotiated and entered into between two sovereign states.

All the 18 district boards, as well as the Urban Council and the Heung Yee Kuk, have found the joint declaration generally acceptable. Unofficial members, in conjunction with some newspapers, commissioned an independent research firm to conduct a territory-wide survey covering 6,000 randomly selected adults above the age of 18. The results of this professional survey indicated that the majority of the people of Hong Kong found the draft agreement generally acceptable and that 90 percent of the respondents preferred the agreement to no agreement at all.

While the draft agreement is acceptable as a whole to the majority of the community, some concern and points of detail have been raised.

In particular, there is anxiety about interference from the Chinese Government, worry about conscription in the Hong Kong Special Administrative Region; uncertainty about the acceptability to third countries of the new form of British passport; doubt about the preservation of existing human rights and personal freedoms; fear about the stationing of PLA troops in Hong Kong; resentment about the termination of transmissibility of British nationality for Hong Kong BDTCS [British Dependent Territory Citizens] in 1997; reservations about possible incompatibility between the Constitution of the People's Republic of China and the future basic law of Hong Kong; and concern about the faithful implementation of the agreement and the policies of future Chinese leaders.

There are also very strong requests that the people of Hong Kong should not only be consulted, but should actively participate in, the drafting of the basic law and that Hong Kong people should also sit on the Sino-British joint liaison group.

The ultimate success of the joint declaration depends on people's confidence that it will be implemented faithfully and that matters of concern and questions of detail which have been raised are satisfactorily resolved and clarified by the two signatory governments. Therefore, in accepting the agreement, we urge both the British and Chinese Governments to take steps to reassure the people of Hong Kong in these respects.

Given that Hong Kong will be a special administrative region within China after 1997, with an elected legislature enjoying a high degree of autonomy, it is essential that a government structure consisting largely of local people is in place and in proper working order well before 1997.

It is therefore necessary to move to a more representative form of government, transferring the powers of the present colonial government to the elected representatives of the people of Hong Kong.

In this respect, Umelco welcome and support the basic proposals and the progressive approach outlined in both the Green and White Papers and the further development of representative government in Hong Kong. However, Unofficial members echo the caution expressed in many quarters against any rapid or radical changes which may put at risk Hong Kong *raison d'etre*, that is, stability and prosperity.

Hong Kong is not an independent state and can never be. Despite the promise of a high degree of autonomy, its subsidiary relationship with the Chinese central government must be understood and accepted.

Parliamentary government as practised in the West, featuring adversarial politics, is not necessarily suited to Hong Kong, recognising Hong Kong's unique status and the political constraints placed upon it by this status. Hong Kong must, therefore, devise its own unique style of representative government, building on the proven elements which have been responsible for Hong Kong's success.

Most people in Hong Kong believe that only if stability and prosperity are maintained in the period prior to 1997 can there be any hope that stability and prosperity will be continued for 50 years after 1997. It is therefore generally felt that the next 12 years will be critical and crucial to Hong Kong's continual success beyond 1997.

It is essential, therefore, that all concerned, Britain, China and the people of Hong Kong, play their part in furthering Hong Kong's stability and prosperity in the next 12 years.

The main task for Her Majesty's government in the next 12 years is to ensure a smooth transition, so that 1997 does not represent an abrupt break with the past, but the continuation of a gradual process of evolution. To allay fears of Britain losing interest in Hong Kong, it is important that Hmg continues to govern Hong Kong effectively. It must demonstrate its continual determination, resolve and commitment to Hong Kong's stability and prosperity.

The Chinese Government must demonstrate its willingness to listen to the views and wishes of the people of Hong Kong. In particular, given the great significance attached by the people of Hong Kong to the basic law, it is hoped that, as was suggested by the Unofficial members to the Chinese leaders in Peking in June this year, the people of Hong Kong should be consulted on, and participate in, the drafting of the basic law.

As for the people of Hong Kong, they understand that the aim of the draft agreement is the maintenance of Hong Kong's stability and prosperity, and that stability and prosperity are the product of, among other qualities, their energy, talent, industry and confidence. The agreement provides a sound basis on which to continue to apply these attributes. The people of Hong Kong are ready and willing to take on the challenge of the new circumstances they face.

Given understanding and sensitivity by the two signatory governments and their firm commitment to implementing the joint declaration in both letter and spirit, the people of Hong Kong will succeed in maintaining Hong Kong's stability and prosperity, and in making the draft agreement work.

#### UMELCO AIM NONINTERFERENCE IN HONG KONG BY PRC

HK030541 Hong Kong SOUTH CHINA MORNING POST in English 3 Dec 84 p 16

[From Michael Chugani]

[Text] London, Dec 2 -- Unofficial members of the Executive and Legislative Councils may send regular delegations to Peking to convey to China's leaders the worries of Hong Kong people during the transition period.

The thinking apparently is that the intense lobbying of British parliamentarians and ministers should be repeated in China as well after the agreement is signed and when the all-important joint liaison group begins work.

Such a move will ensure that not only will the British Government be kept up to date with Hong Kong views, but Peking's leaders will also be kept abreast of fears felt in Hong Kong.

And as the visiting Umelco delegation prepared for the first round of lobbying tomorrow, it has become clear that a "hands off Hong Kong" policy by China is their main target.

At the same time, they want the British Government to give a cast-iron guarantee that it will not lose interest in Hong Kong once the agreement is signed. Umelco members apparently fear Chinese meddling in Hong Kong's affairs in the next 12 years on one front, and a washing of hands by the British on another.

A main thrust of the lobbying exercise will be to make sure Parliament regularly debates and discusses Hong Kong so that MPs can check progress of the transition. It is also likely that Umelco members will demand that the work of the joint liaison group is published annually so that Hong Kong people know that their main worries are being discussed. This could prove to be a sensitive demand because the White Paper on Hong Kong's future specifically states that discussions by the joint liaison group will be confidential unless both sides agree otherwise.

The message Umelco apparently wants to leave is that while it is recognised that Hong Kong people themselves must ensure their own success, they do not want Britain to congratulate itself on the agreement and feel that it has fulfilled its moral obligation and therefore permit China to interfere in the running of the city.

Umelco members spent their first day yesterday, just hours after arriving, briefing the British press on the aims and aspirations of their mission.

**END OF**

**FICHE**

**DATE FILMED**

5 Dec 1984



